Manitoba
Intergovernmental Affairs

Annual Report
2002-2003

Manitoba

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An English version of this Annual Report can be found on the internet at
www.gov.mb.ca/ia

MINISTER OF
INTERGOVERNMENTAL AFFAIRS

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The Honourable Peter M. Liba, C.M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg MB R3C 0V8

May It Please Your Honour:

I have the privilege to present for your information the Annual Report of Manitoba Intergovernmental Affairs for the fiscal year ended March 31, 2003.

Yours sincerely,

Rosann Wowchuk

Rosann Wowchuk
Minister

Manitoba

Deputy Minister of Intergovernmental Affairs

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Honourable Rosann Wowchuk
Minister of Intergovernmental Affairs
301 Legislative Building
Winnipeg MB R3C 0V8

Dear Minister:

I am pleased to present to you the Annual Report of the Department of Intergovernmental Affairs for the fiscal year ended March 31, 2003. This report demonstrates our commitment to building healthy and sustainable neighbourhoods and communities, and highlights the importance of collaboration and partnership with municipalities, other levels of government, and key stakeholders, in meeting this mandate.

Several collaborative initiatives undertaken this past year served to strengthen the positive relationship we have with municipalities. Our "Tools for Change" program, developed in conjunction with the Association of Manitoba Municipalities, gives municipalities an important tool to address emerging challenges. The new City of Winnipeg Charter signalled a progressive, new partnership with Winnipeg. Our sharing of income tax revenues, which in 2002/03 delivered $82.5 million in support of local service delivery, is a key support to Manitoba municipalities.

Infrastructure and community economic development also have been enhanced through such partnerships. We have been successful in leveraging almost $325 million in support for infrastructure under the Canada-Manitoba Infrastructure Program and our municipal water and sewer programs. Local capacity in rural communities has been strengthened through our community economic development programming, supported by our Rural Economic Development Initiatives. Significant revitalization at the neighbourhood level in Winnipeg, Brandon and Thompson has been spurred through our Neighbourhoods Alive! program. Building local community capacity was a key objective of our first Neighbourhoods Alive! forum, *How to Build Strong Partnerships to Build Strong Neighbourhoods*.

A public consultation process on improving the legislative framework for land use planning in the province was launched with the release of the discussion document, *A Review of Manitoba's Land Use Planning Law*, in January 2003. In addition, the Regional Planning Advisory Committee, tasked with providing recommendations on a policy plan for the Capital Region of Winnipeg, concluded its public consultation process. This past year also saw the First Annual Manitoba Planning Conference and the first Manitoba Planning Excellence Awards.

In conclusion, exciting opportunities have been created in our communities and neighbourhoods. We will continue to provide leadership and work collaboratively with urban, rural and northern Manitobans to ensure that this positive momentum continues in 2003/04.

Yours sincerely,

Marie Elliott
Deputy Minister

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Preface

Report Structure

This Annual Report is organized in accordance with the appropriation structure of the Department of Intergovernmental Affairs, as set out in the Main Estimates of Expenditure of the Province of Manitoba for the fiscal year ending March 31, 2003. It thereby reflects the authorized votes of the Department as approved by the Legislative Assembly. The Report contains information at the Main and Sub-appropriation levels related to the Department's objectives, actual results, financial performance and variances. A five-year adjusted historical table of departmental expenditures and staffing is provided.

Role and Mission

Manitoba Intergovernmental Affairs' mission is to support Manitobans in building healthy and sustainable neighbourhoods and communities. The Department provides leadership and works collaboratively with urban, rural and northern Manitobans towards ensuring that their communities are places of opportunity. The Department is committed to working with and on behalf of individuals, local governments, neighbourhood and community organizations and businesses to build capacity for revitalizing and strengthening our neighbourhoods and communities.

The Department has two major roles:

- In a **service delivery capacity**, Manitoba Intergovernmental Affairs is the first point of municipal contact with the Provincial Government and serves as a front-line service deliverer of legislation, policies and programs serving local government. The Department also supports community organizations and individuals consistent with its mission.

- Manitoba Intergovernmental Affairs has a significant **co-ordination role** in the Provincial Government's interaction with local governments. This role necessitates building co-operative working relations with provincial and federal government departments in the delivery of major urban and rural programs. The Department also co-ordinates tripartite and federal/provincial programming as it relates to its responsibilities for federal/provincial agreements relating to infrastructure, community and economic development.

The Department views Manitoba as an integrated community with a balanced economy. The strengths of our north, our rural areas and our urban centres are vital to the health of Manitoba and all of its citizens. In building healthy and sustainable neighbourhoods and communities, Manitoba Intergovernmental Affairs focuses on strengthening the foundation of local government and enhancing opportunities in communities.

Building a Strong Foundation

A major portion of the Department's programs and services focus on building a strong foundation for the effective operation of local government. This includes:

- providing a sound legislative framework to ensure responsive and supportive local government
- providing advisory services to build the capacity of elected and non-elected officials to effectively govern, administer and plan their communities
- providing financial support to assist in meeting operating and capital requirements of local government
- providing property assessment services to support budgeting and taxation by municipalities and school divisions

- providing comprehensive land use and conservation planning to facilitate well-planned communities and effective resource management
- providing technical and financial assistance to support building basic infrastructure

With this foundation, communities can pursue renewal and growth opportunities in community economic development, recreation, housing, and more.

Building Opportunities in Our Communities

The Department's programs and services in this area focus on building local capacity and helping communities to access capital to undertake sustainable economic and community development projects with which to build the tax base in support of service delivery, and generate employment opportunities and an enhanced community social structure.

In this area, the Department supports:

- neighbourhood and community revitalization, and
- community economic development

The Department also works to create opportunities through its comprehensive approach to community development. It does this by incorporating and balancing the many aspects of a healthy community model, including sustainable development, land use and conservation planning, community economic development, co-operative development, neighbourhood revitalization, local governance, property assessment and taxation services and infrastructure development.

Statutory Responsibilities

The Department delivers services and programs under the authority of the following Acts of the Consolidated Statutes of Manitoba (as per schedules "M" and "Q", Order in Council 419/2002):

The City of Winnipeg Act (S.M. 1989-90, C.10)
The City of Winnipeg Charter (S.M. 2002, C.39)
The Community Development Bonds Act
The Conservation Districts Act
The Convention Centre Corporation Act (S.M. 1988-89, C.39)
The Co-operative Associations Loans and Loans Guarantee Act
The Cooperative Promotion Trust Act
The Local Authorities Election Act
The Local Government Districts Act
The Municipal Act
The Municipal Assessment Act
The Municipal Affairs Administration Act
The Municipal Board Act
An Act Respecting Debts Owing by Municipalities to School Districts
The Official Time Act
The Planning Act (except Part IX)
The Regional Waste Management Authorities Act
The Soldiers' Taxation Relief Act
The Unconditional Grants Act
The Manitoba Water Services Board Act

Organizational Structure

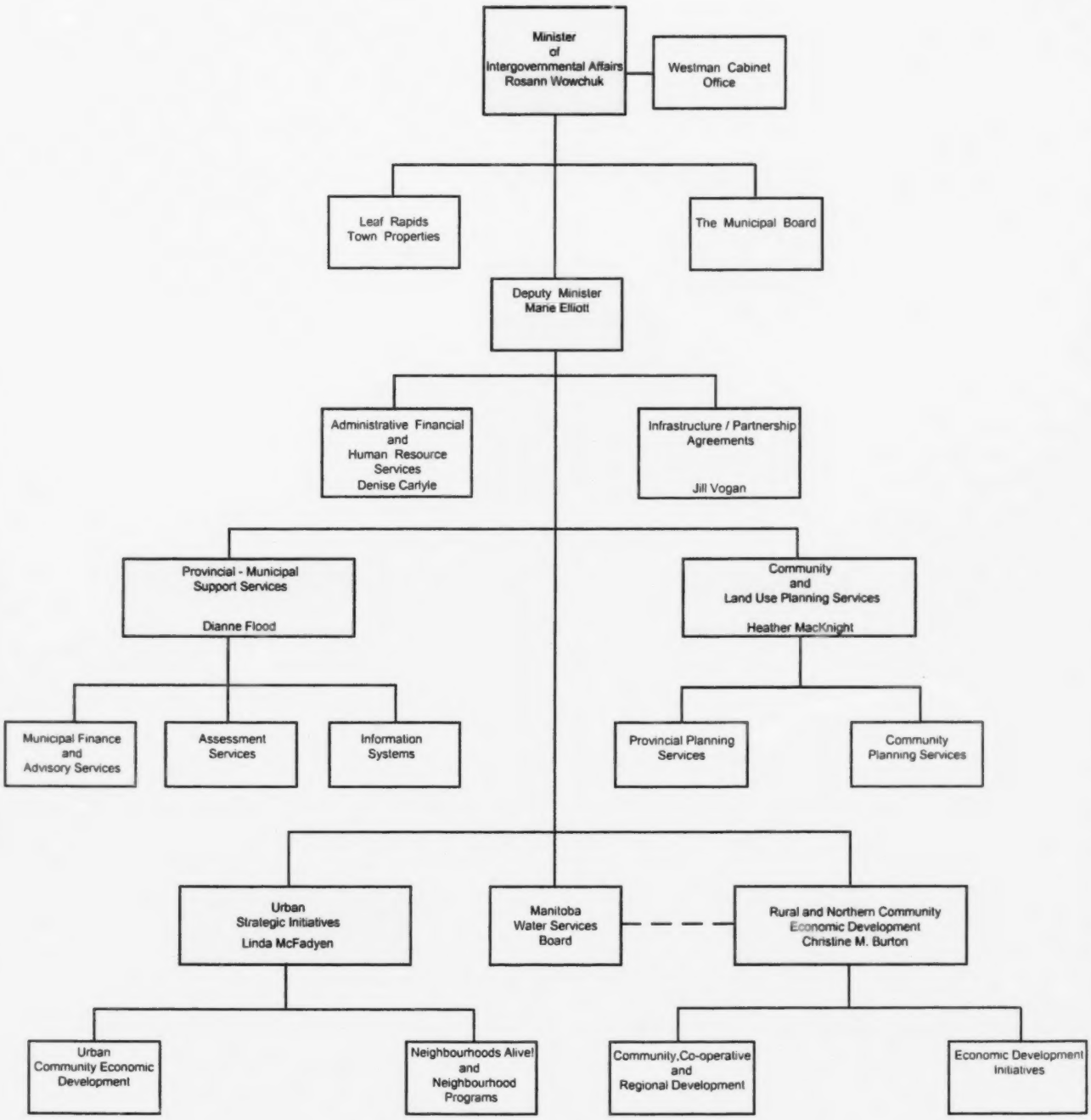
The Department's organizational structure is illustrated in the Organizational Chart and in the accompanying map depicting the regional delivery system. The Department is organized into four functional areas:

- Community and Land Use Planning Services, responsible for creating and managing an effective land use planning policy and legislative framework, providing the basis for all provincial and local decisions on land use, and delivering planning services and advice to communities across Manitoba.
- Provincial-Municipal Support Services, providing all 199 Manitoba municipalities with advisory and consulting services, financial support, enabling legislation and a policy framework enabling local governments to respond effectively and efficiently.
- Rural and Northern Community Economic Development Services, providing a policy framework, research, support and comprehensive information related to co-operative development and community economic development generally, along with delivering financial programs to assist in advancing rural and northern community economic development opportunities, and the capacity for local citizens to capture those opportunities.
- Urban Strategic Initiatives, responsible for co-ordinating and developing sustainable, integrated urban public policies and programs with the community, and for supporting revitalization efforts in the downtown and designated neighbourhoods of Manitoba's urban centres, through initiatives such as Neighbourhoods Alive!, Building Communities and Urban Development Initiatives.

In addition to these core functions, the Department oversees the Canada-Manitoba Infrastructure Program (CMIP) and the Canada-Manitoba Economic Development Partnership Agreement (EDPA), as well as the Manitoba Water Services Board, and the Conservation Districts Program.

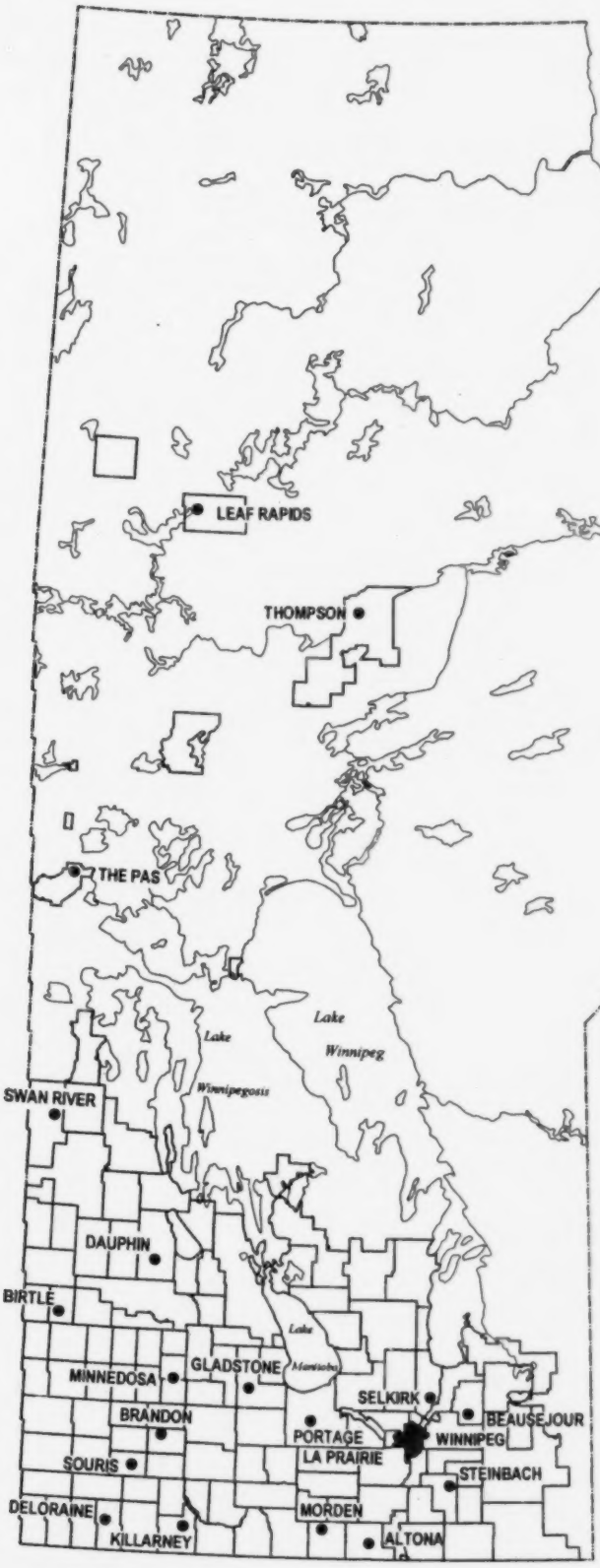
The Department operates with 332 employees, 60% of whom are located in 17 regional locations throughout the Province.

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS
ORGANIZATIONAL CHART



March / 2003

MANITOBA INTERGOVERNMENTAL AFFAIRS
REGIONAL OFFICES



MANITOBA INTERGOVERNMENTAL AFFAIRS
WINNIPEG OFFICE

- Administration and Finance
- Community and Land Use Planning Services
- Co-operative Development Services
- Provincial-Municipal Support Services
- Rural and Northern Community Economic Development Services
- The Manitoba Water Services Board
- The Municipal Board
- Canada - Manitoba Infrastructure and Partnership Agreements
- Urban Strategic Initiatives

MANITOBA INTERGOVERNMENTAL AFFAIRS
REGIONAL OFFICE - SERVICES

LEGEND

- ▲ Assessment
- ■ Community Economic Development
- ✦ Community Planning Services
- ◆ Conservation District Program
- ✱ Leaf Rapids Town Properties
- ◣ Manitoba Water Services Board
- ★ Municipal Finance & Advisory Services

REGIONAL OFFICE - SERVICES

	▲	■	✦	◆	◣	★
ALTONA		■				
BEAUSEJOUR		■	✦			
BIRTLE		■				
BRANDON	▲	■	✦	◆	◣	★
DAUPHIN	▲	■	✦			
DELORAINE			✦			
GLADSTONE				◆		
KILLARNEY		■				
LEAF RAPIDS						✱
MINNEDOSA	▲					
MORDEN	▲		✦			
PORTAGE LA PRAIRIE	▲		✦			
SELKIRK	▲	■	✦			
SOURIS	▲					
STEINBACH	▲	■	✦			
SWAN RIVER	▲					
THE PAS		■				★
THOMPSON	▲	■	✦			

Administration and Finance

The Division provides the Minister and staff responsible for the portfolio with advice and administrative support, makes recommendations on human resource management, and directs administrative and financial services. These services are provided by Executive Support, the Brandon Office, and the Administrative, Financial and Human Resource Services Branch. This Division also includes The Municipal Board.

Minister's Salary

The Minister provides leadership in maintaining and enhancing the direct partnership the Province has with its municipal partners, and its land use, resource management and economic development organizations. The Minister provides direction to ensure departmental goals and objectives are met.

1(a) Minister's Salary

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	28.3	1.00	28.4	(.1)	

Executive Support

The office of the Deputy Minister provides the Minister and her staff with information and advice regarding matters of concern to ensure open and continuing lines of communication within the municipal/provincial partnership, and between the Department and its diverse client groups. The Deputy Minister's office continues to carry out policy decisions initiated by the Minister and set directions for the activities conducted by the Department's branches. Administrative assistance is extended to the Minister's office.

1(b) Executive Support

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	432.3	9.50	508.8	(76.5)	
Total Other Expenditures	82.8	0.00	83.0	(.2)	
TOTAL	515.1	9.50	591.8	(76.7)	

Brandon Office

Opened in 1989 the Brandon Cabinet Office provides citizens in western Manitoba with ready and convenient access to government. The store-front office provides information regarding government programs, and access to contact people in government departments and agencies.

1(c) Brandon Office

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	100.6	3.00	151.9	(51.3)	
Total Other Expenditures	52.6	0.00	55.0	(2.4)	
TOTAL	153.2	3.00	206.9	(53.7)	

Human Resource Management

The Consolidated Human Resource Services Section provides the Department's executive with appropriate recommendations on all aspects of human resource management, works within Civil Service Commission legislation and policy guidelines, and ensures that short and long-term staffing requirements are met within the Department. These objectives are met through recruitment and selection, position classification, performance appraisal, labour relations, human resource planning, staff training and development, staff counseling and occupational health and safety programs. The pay and benefits services are being provided through the consolidated Human Resource, Pay and Benefits Unit.

Principal Activities in 2002/2003

- Continuation of recruitment and selection delegations, and classification delegations from the Civil Service Commission, as a consolidated unit. Twenty-four positions were filled through recruitment activity. In addition there were 14 appointments to S.T.E.P. positions and two appointments under the Youth Transition Program. Twelve classification reviews were completed.

- Provided comprehensive pay and benefits services for approximately 332 Intergovernmental Affairs employees and 1,614 employees in total through the Consolidated Pay and Benefits Unit.

- Provided guidance and advice on pay and administration issues.

- Up-dated Employee Orientation Program.

- Twenty-three employees attended various training courses offered through the Civil Service Commission's Organization and Staff Development Division. In addition, 21 employees received departmental education assistance to enhance career opportunities.

- Participated in northern employment strategy.

- Updated and monitored Employment Equity statistics.
- Participated in Management Internship Programs.
- Administered and interpreted labour relations agreements to ensure consistent application. Advised supervisory and management staff on application of contract provisions.
- Participated on Departmental Labour Management Committee and helped to resolve issues.
- Developed framework for implementation of core competencies to align Department objectives, values, recruitment, succession planning and performance management strategies. Began identification of core competencies in two departmental divisions.
- Provided career development counseling to employees and assisted in the development and administration of career development plans.
- Provided counseling and advice to employees having work-related problems.
- Provided guidance and advice during departmental restructuring and organizational changes.

1(d) Human Resource Management Services

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	118.0	4.00	140.2	(22.2)	
Total Other Expenditures	27.3	0.00	27.2	.1	
TOTAL	145.3	4.00	167.4	(22.1)	

Financial and Administrative Services

This Section provides central support services essential to the operation of the Department, including comptrollership, accounting, financial reporting, budget co-ordination, and administrative services to the Department. Within the authority of *The Financial Administration Act*, central co-ordination is provided to ensure the financial integrity of management information systems. Staff are also responsible for interpreting directives and regulations of Manitoba Finance.

Principal Activities in 2002/2003

- Maintaining the Minister of Intergovernmental Affairs' Trust Account with receipts of approximately $6.9 million and disbursements of approximately $6.6 million.
- Processing expenditures totalling approximately $151.0 million. Maintaining a revenue collection and deposit system totalling $8.6 million.

- Co-ordinating and consolidating the financial information necessary to prepare Detailed Estimates of Expenditure and Revenue, an Estimates Supplement, Annual Report, Public Accounts Variance Explanations and Quarterly Forecasts of Expenditures and Revenues.

- Co-ordinating the operation and maintenance of approximately 88 fleet vehicles.

- Co-ordinating requests under *The Freedom of Information and Protection of Personal Privacy Act*. To year-end, 29 requests were submitted to the departmental Access Officer and were processed.

- Preparing financial reports for departmental management, and administering the Soldier's Taxation Relief By-laws.

- Within the Department, provision of continuing support for the SAP software. Provision of technical advice, review, and revision of all related policies and procedures affected by the redesigned business processes necessitated by SAP.

- Providing property management and accounting services for Leaf Rapids Town Properties Ltd.

- Monitoring and updating the business plan, and co-ordination of French Language Services.

- Co-ordinating the Department's procurement activities and representing the Department on relevant committees.

- Representing the Department on the Manitoba Emergency Measures Organization committee and co-ordinating relevant activities.

- As a member of the *Sustainable Development Act* Steering Committee, other related committees and the Procurement Council, the Department participated in the development of sustainable development guidelines for government. Those guidelines will become the basis for incorporating sustainable development into the Department's future activities. A summary of the Department's sustainable development activities and accomplishments is included in Appendix D.

1(e) Financial and Administrative Services

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	423.8	8.10	423.8	0.0	
Total Other Expenditures	146.6	0.00	193.7	(47.1)	
TOTAL	570.4	8.10	617.5	(47.1)	

The Municipal Board

The Municipal Board is a quasi-judicial body that hears applications, appeals and makes reports and recommendations relating to local government matters.

Due to its quasi-judicial nature, the Board operates independently and is attached to the Department for administrative reasons only. The Board prepares a separate Annual Report on a calendar-year basis.

1(f) The Municipal Board

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	651.8	9.00	696.0	(44.2)	
Total Other Expenditures	267.6	0.00	273.6	(6.0)	
TOTAL	919.4	9.00	969.6	(50.2)	

Community and Land Use Planning Services

Overview

Community and Land Use Planning Services is responsible for creating and managing an effective land use planning policy and legislative framework in the Province that provides a sound basis for all provincial and local land use decisions. It is also responsible for the direct delivery of planning services to communities across Manitoba. These services are delivered through two branches: the Provincial Planning Services Branch and the Community Planning Services Branch.

Community and Land Use Planning Services contributes to the Department's overall mandate by ensuring that communities are well planned so they are better able to provide a healthy living environment and attract jobs and investment. In 2002/03, Community and Land Use Planning Services focussed its work on strengthening the foundations of planning in the Province.

Strengthening the foundations of planning in Manitoba involved several key initiatives that are described in more detail under each Branch. These initiatives included: Manitoba Planning Law Review; Provincial Land Use Policies Regulation Review; Capital Region planning initiative; planning for the sustainable growth of the livestock sector; enhancing planning practice in the Province with the introduction of a Manitoba Planning Conference and the Manitoba Planning Excellence Awards; and delivering professional planning services to communities across Manitoba.

Executive Administration

The office of the Assistant Deputy Minister co-ordinates program delivery within the Division. Direction is given to Division staff to carry out programs and services in areas of provincial land use policy development and application, regional planning, community planning, subdivision approval and provincial planning legislation. The Assistant Deputy Minister's office provides the Deputy Minister, the Minister and the executive level of government with information and advice regarding community and land use planning matters.

2(a) Executive Administration

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	140.5	2.00	143.2	(2.7)	
Total Other Expenditures	22.0	0.00	30.6	(8.6)	
TOTAL	162.5	2.00	173.8	(11.3)	

Provincial Planning Services

Provincial Planning Services develops and administers the provincial policy and legislative framework that serves as the foundation for effective land use planning in Manitoba. It also contributes to healthy and sustainable communities through participation in strategic land use planning initiatives.

Principal Activities in 2002/2003

Provincial Planning Services is responsible for the review of development plan by-laws, land subdivisions, and annexation/amalgamation proposals on behalf of the Province. It also serves as the Secretariat to the Interdepartmental Planning Board of deputy ministers of departments responsible for land use matters. In 2002/03, the Branch's activities included the following:

- *Review of Development Plan By-laws and Amendments:* Provincial Planning Services co-ordinated 93 land use reviews of new development plan by-laws and by-law amendments in consultation with other government departments and agencies. The Branch made recommendations to the minister on compliance of the by-laws with the Provincial Land Use Policies Regulation as well as other provincial regulations.

- *Review of Subdivision Applications:* Provincial Planning Services is responsible for the assessment and review of subdivision applications that have had issues or concerns identified through the local or provincial review process. In 2002/03, approximately 25 subdivision applications were referred to Provincial Planning Services for analysis and a recommendation on approval or rejection. Efforts are made to resolve issues between the applicant and the concerned agencies and parties. In cases of appeals, Provincial Planning Services appeared before The Municipal Board and made representation on behalf of the Province with respect to provincial concerns and legislative or regulatory requirements under *The Planning Act*.

- *Representing Provincial Interests in Land Use and Development at Hearings*: Provincial Planning Services is authorized to appear and make representations under *The Planning Act* and *The Municipal Act* at various hearings on development plan by-laws, zoning by-laws and subdivisions. In 2002/03, Provincial Planning Services staff represented provincial interests at five hearings.

- *Review of Annexation and Amalgamation Proposals:* In 2002/03, Provincial Planning Services co-ordinated the provincial review of six annexation proposals submitted by municipalities. The Branch consulted with other departments and, where possible, mitigated and resolved outstanding issues with the affected municipalities. The Branch prepared reports to The Municipal Board and, upon approval of each proposal, the draft boundary regulation.

- *Interdepartmental Planning Board:* As the Secretariat to the Interdepartmental Planning Board (IPB), Provincial Planning Services arranged meetings, co-ordinated agendas, prepared minutes and assisted IPB in fulfilling its duties as a forum for interdepartmental and inter-agency consultation and co-ordination on government land use related legislation, policy and programs. IPB also fulfils responsibilities under *The Environment Act* related to the form of environmental assessments, content of guidelines and review of assessment reports; and under *The Sustainable Development Act* related to the co-ordination of the development and implementation of Manitoba's sustainable development strategy.

- *Shoal Lake Water Quality Agreement:* The Provincial Planning Services Branch oversees the Shoal Lake Water Quality Agreement on behalf of the Province. The Shoal Lake Agreement was signed by Manitoba, Winnipeg and Shoal Lake First Nation No. 40 in June 1989 and came into effect with

the signing of a five-year parallel agreement between Shoal Lake First Nation No. 40 and Canada on September 18, 1990. The Shoal Lake Agreement has a term of 60 years. The overall objectives of the Agreement are to protect and maintain the quality of Winnipeg's drinking water, and to promote economic viability for Shoal Lake First Nation No. 40.

The 1989 Agreement provided for the establishment of a $6,000.0 Trust Fund ($3,000.0 each from the City and Province) in consideration of the First Nation's regulation of certain activities on the Reserve for a period of 60 years. The Trust Fund is administered by a trust company on behalf of the three parties. Provided it fulfils its obligations under the Agreement, the First Nation receives the annual income from the Trust Fund until the Agreement concludes.

Since the Agreement came into effect in September 1990, all of the inoome earned by the Trust Fund has been disbursed to the First Nation: a total to March 31, 2003 of $7,132.0.

During 2002, the Manitoba Intergovernmental Affairs chaired the Shoal Lake Agreement Committee and Working Group. In 2003, the Shoal Lake First Nation No. 40 assumed this responsibility.

Highlights in 2002/2003

Provincial Planning Services co-ordinated several major policy initiatives aimed at strengthening the land use planning framework in Manitoba and the Capital Region.

- *Planning Law Review:* In 2002/03, Provincial Planning Services continued the process of reviewing the Province's planning statutes with a view to streamlining and modernizing them. In January 2003, a discussion paper was released to stimulate public reflection and dialogue on the planning law during a consultation process. Six workshops were held in locations around the Province in February 2003. Almost 400 people participated. Written comments were also invited by mail, fax or Internet to March 31, 2003. Over the next year, the input will be reviewed by the government and draft legislation will be developed.

- *Provincial Land Use Policy Review (PLUP)*: A review of the current PLUP Regulation 184/94 was initiated in 2001/2002. The Provincial Land Use Policies provide a framework for integrated and sustainable land use decision-making in Manitoba. The first phase involving interdepartmental consultation has been completed and proposed revisions to the current policies are being drafted. Public consultation will be initiated in 2003/04 followed by preparation of a revised Regulation.

- *Capital Region:* The Capital Region Regional Planning Advisory Committee (RPAC), appointed by the Manitoba Government in 2001/02, released its public discussion document in 2002/03. Six public meetings were held to receive public and municipal feedback. The RPAC began preparing its final report which it expects to submit to the Minister of Intergovernmental Affairs in 2003/04. This report will be a key element in the development of a regional land use policy plan for the Capital Region.

- *Livestock Planning Legislation Review*: Guided by the Livestock Stewardship Panel's report and recommendations, Provincial Planning Services implemented the next phase of the government's plan to develop a sustainable livestock industry. This phase focused on proposed changes to the approval process that would provide clarity, consistency and predictability to land use decisions. Consultations were held with municipal leaders, agricultural producers and interest groups on the potential for requiring livestock operations policies in development plans, establishing a standard review process for livestock operations and introducing provincial siting standards for livestock operations. Opportunities for amending legislation and regulations will be identified from this process.

- *The City of Winnipeg Act Re-draft (Planning Provisions):* Provincial Planning Services assisted the Provincial-Municipal Support Services Division in the re-draft of *The City of Winnipeg Act* by providing technical analysis, research and advisory services on the planning and development provisions (Part 6).

- *First Annual Manitoba Planning Conference:* In 2002/03, Community and Land Use Planning Services facilitated the first annual Manitoba Planning Conference entitled "Exploring the Planning Tool Box: Building on the Basics." The conference incorporated four themes: fundamentals of planning; planning law and evolving planning policy; process tools; and exploring issues. The conference was a joint initiative of the Brandon and Area Planning District Board (conference chair), Manitoba Building Officials, Manitoba Professional Planners Institute, and Manitoba Zoning Officials. The conference was attended by approximately 400 delegates and the proceedings are available at www.mppi.mb.ca.

- *Manitoba Planning Excellence Awards:* Provincial Planning Services co-ordinated the establishment of the first Manitoba Planning Excellence Awards. Adjudicated by a jury of experts and presented by the Minister of Intergovernmental Affairs, these awards recognize and promote outstanding examples of planning practice in Manitoba. In 2002/03, two planning excellence awards were made, and three planning projects received honourable mention.

2(b) Provincial Planning Services

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	448.9	6.00	420.3	28.6	
Total Other Expenditures	149.2	0.00	335.1	(185.9)	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(191.5)	0.00	(311.4)	119.9	
TOTAL	406.6	6.00	444.0	(37.4)	

Community Planning Services

The Community Planning Services Branch supports the development of healthy, sustainable communities by providing regionally-based community planning and development services. Located in nine regional centres across Manitoba and supported by a Winnipeg office, the Branch delivers professional and technical planning services to local planning authorities, northern communities and the public, and carries out the responsibilities delegated to staff under *The Planning Act* and *The Municipal Act*.

Principal Activities in 2002/2003

- Staff provided professional and technical services to municipalities and planning districts preparing development plan and zoning by-laws, and related amendments. In 2002/03 staff assisted in the preparation and adoption of 217 planning by-laws. These by-laws are the most effective means to ensure local control over the use and development of land.

- The Branch provided advice and assistance to local governments and provincial agencies in the implementation of sustainable development principles in the planning and development process. The Branch also provided support services to community and regional Round Tables under the Community Choices Program.

- The Branch continued to work in partnership with Aboriginal and Northern Affairs to provide strategic planning and land use planning services to unincorporated northern communities. In 2002/03 the Branch undertook major planning projects in six northern communities.

- The Branch provided advice and assistance to other provincial departments and agencies on matters related to the use and development of land. In 2002/03, staff reviewed 134 proposals for the disposition or development of Crown land, and provided comments to Manitoba Conservation.

- Staff provided alternative dispute resolution assistance to municipalities on matters related to planning and development, and municipal restructuring and boundary alterations. The objective was to facilitate local resolution of inter-municipal issues prior to or in lieu of a Municipal Board application and hearing.

- Staff processed 682 new applications for subdivisions as the delegated subdivision approving authority under *The Planning Act*. Staff also processed 6 applications in northern Manitoba on behalf of Manitoba Aboriginal and Northern Affairs and reviewed 76 applications submitted to the Brandon and Area Planning District Board and the Selkirk and District Planning Area Board.

- In 2002/03, 31 by-laws for the closure of roads and public reserves were reviewed and approved on behalf of the Minister. The authority to make decisions on by-laws for the closure of roads and public reserves has been delegated to senior regional planning staff.

- Regional staff participated in the review of major proposed livestock operations through the Technical Review Committee process under *The Planning Act*. In 2002/03 staff contributed to 81 new technical review reports prepared for consideration by municipal councils.

- Branch staff provided advisory assistance to planning districts and municipalities to deal with land use issues related to livestock development as part of Manitoba's Livestock Stewardship Initiative. This Initiative is intended to ensure that the expansion of the livestock industry is sustainable in order to protect the environment and derive the maximum social and economic benefit for Manitoba communities and the provincial economy.

- Staff provided support to the Provincial Planning Services Branch in the reviews of Manitoba's Planning Law and the Provincial Land Use Policies.

Highlights in 2002/2003

- The Branch supported the formation of one new planning district in 2002/03 bringing the total to 43 planning districts involving 140 member municipalities. Planning districts play a key role in developing effective responses to community and land use planning issues.

- Staff continued working to build the capacity of communities to deal with development and land use planning issues by providing educational and training opportunities for elected and appointed municipal officials. In 2002/03, regional staff held a number of workshops for newly elected municipal officials on planning law and processes. The Branch also assisted in organizing the annual Manitoba Planning Conference which provided educational and information sharing opportunities for elected and appointed officials involved in planning.

- Under the Community Planning Assistance Program, in 2002/03 the Branch provided a total of $182,622 to 21 planning districts and municipalities to assist in preparing or updating local planning by-laws.

- Branch staff played a leading role on the interdepartmental committee developing an implementation plan for the Consultation on Sustainable Development Initiative (COSDI).

Summary of Planning Services by Regional Office (2002/03) [1]

Regional Office	Development Plans & Amendments	Zoning By-laws & Amendments	Other By-laws	Sub-divisions	Planning Map Projects	Livestock Technical Reviews	Crown Land Reviews
Beausejour	8	26	9	95	63	4	25
Brandon	8	31	10	119	131	10	4
Dauphin	4	22	3	90	43	0	9
Deloraine	1	6	2	26	0[2]	8	0
Morden	4	22	4	99	99	19	0
Portage	4	24	5	93	27	20	7
Selkirk	8	28	5	110	103	3	43
Steinbach	3	11	2	123	18	17	0
Thompson	4	3	0	9	0[2]	0	46
TOTALS	**44**	**173**	**40**	**764**	**484**	**81**	**134**

[1] Numbers represent new initiatives and do not include active files from previous year.
[2] Mapping services for the Deloraine and Thompson offices are provided by other regional offices.

2(c) Community Planning Services

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	2,546.1	47.00	2,569.9	(23.8)	
Total Other Expenditures	814.9	0.00	949.1	(134.2)	
Less: Recoverable from Rural Economic Development Initiatives	(376.4)	0.00	(534.7)	158.3	
TOTAL	2,984.6	47.00	2,984.3	.3	

Provincial-Municipal Support Services

Provincial-Municipal Support Services contributes directly to the Department's overall mandate to ensure strong and viable communities that meet local needs by strengthening municipal governments' abilities and opportunities to respond effectively to the changing social and economic environment in Manitoba.

This Division delivers the Province's core governance, advisory and financial services and programs to Manitoba's 199 municipal governments and provides assessment services, including producing assessment notices and tax statements, to all municipalities except the City of Winnipeg. The Division also provides technological support to the Department's other Divisions.

In addition, the Division frequently acts as liaison between other government departments and municipalities, and between government and the Association of Manitoba Municipalities.

The Division delivers its services and programs through three branches:
- Municipal Finance and Advisory Services,
- Assessment Services, and
- Information Systems.

Key services include:

- Municipal Finance and Advisory Services provides the legislative and policy framework and the delivery of administrative and financial services and programs, including funding. Branch staff are primarily located in Winnipeg, with a small complement in Brandon and The Pas (currently vacant). The Branch:
  - ensures the legislative and policy frameworks are up-to-date and responsive, in order to provide effective statutory authority for and support to municipal governments to meet local challenges;
  - consults with, advises and supports municipal governments to develop innovative and creative solutions to address and manage local issues, including information and tools to build and enhance local capacity, especially those related to changing environments;
  - administers and delivers grants, payments, and financial assistance to municipalities, with the view to enabling municipalities to deliver quality services to their residents at a reasonable cost.

- Assessment Services provides assessment services to all municipalities (except the City of Winnipeg), to Manitoba Aboriginal and Northern Affairs and to Manitoba Education and Youth. Assessment Services are delivered from 10 district offices across the Province, with a central co-ordinating office in Winnipeg. The Branch:
  - accurately and efficiently prepares and delivers over 390,000 assessments, which form the basis on which municipal governments can plan and budget with confidence;
  - updates and analyses new and emerging assessment data, methodology and trends to ensure on-going accurate and high quality services;
  - makes comprehensive information available to municipalities, property owners, and others, and responds to all inquiries and appeals.

- Information Systems is responsible for the data processing service, including systems analysis, development, implementation and maintenance, to support the assessment and taxation functions of municipal governments and also provides technological support to other branches in the Department. Information Systems is located in Winnipeg. The Branch:
  - provides the complete data processing service, including systems analysis, development, implementation and maintenance to support the assessment and taxation functions of municipal

governments in a timely, consistent and cost effective manner, including the technical preparation and delivery of assessment rolls and notices, and of tax rolls and statements;
- provides technological support to other branches in the Department, to assist those Branches to develop innovative programs and solutions to ensure long term sustainability of Manitoba communities.

2002/2003 Highlights

- The City of Winnipeg Charter, signaling a progressive new partnership that recognizes the mature relationship between the Province and the City.

- Support to the 2002 general municipal elections, including providing education and training of the local officials responsible for proper election processes and procedures, timely election advice and information to the public and prospective candidates, and training opportunities for newly elected officials.

- Assisting municipalities to cope with change through the preparation, in consultation with the Association of Manitoba Municipalities, of the well received "Tools for Change" program.

- The effective and efficient delivery of an accurate assessment roll and related assessment activities, including the development and substantial implementation of major methodological advances and the supporting technological upgrades to the data processing system.

Executive Administration

The office of the Assistant Deputy Minister co-ordinates program delivery within the Division. Direction is provided to staff of the Division to carry out programs and services in the areas of education and training, advisory, financial, property assessment and data processing services to local government. The Assistant Deputy Minister's office provides the Deputy Minister, the Minister and the Executive level of government with information and advice regarding matters of concern relating to local government.

3(a) Executive Administration

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	108.7	1.50	130.8	(22.1)	
Total Other Expenditures	37.2	0.00	30.6	6.6	
TOTAL	145.9	1.50	161.4	(15.5)	

Assessment Services

The Branch provides property assessment services related to more than 390,000 roll entries, with a total market value of $28 billion, to:

- 198 Manitoba municipalities (Winnipeg provides its own assessment services).
- Manitoba Aboriginal and Northern Affairs, for the 61 communities under its jurisdiction.
- Manitoba Education and Youth.
- 36 Manitoba school divisions.

The assessment services include determining the values, classification, and liability to taxation of:

- "Real property" (land and buildings) in all 198 municipalities.
- "Personal property" (equipment) used for gas distribution systems and for oil and gas production in all municipalities, and other personal property in 137 municipalities that impose a personal property tax.
- "Business assessment" in 73 municipalities that impose a business tax.

Principal Activities in 2002/2003

- Updating the 2002 assessment rolls for 2003 to reflect new construction and also changes in owner, owner address, legal description, subdivision of land or additions to buildings; issuing notices to the affected owners; and providing the preliminary and final rolls to the municipalities. Over 30,000 changes were recorded for the 2003 rolls.
- Responding to the 1,249 appeals filed at the Boards of Revision in 2002 (comprising less than 0.003% of all roll entries) and the 57 appeals filed at the Municipal Board.
- Providing municipalities with the information required for "supplementary taxation" – tax bills for new construction that was not on the final assessment roll delivered in the previous year, thus ensuring municipalities collect the full tax revenue they are entitled to.
- On-going property reviews, undertaken to ensure property records are current. Approximately 35,000 properties were reviewed.
- Commencing work for the next reassessment in 2006, which must be completed in 2005.
- Informing stakeholders about the assessment process, by:
  - meeting with municipal councils and responding to public inquiries;
  - publishing a guide for conducting Boards of Revision and *Reference Sheets* for councils and *Fact Sheets* and brochures, describing why and how property is assessed, for the public; and
  - providing public access to assessments via the Internet and to detailed computer data by subscription to Manitoba Online.

The Branch also researches issues related to property valuation, develops policies and procedures for the district offices, liaises with the City Assessor, and assists businesses, other organizations and other provincial and federal government departments with respect to assessment issues. The Branch also provides advice to government on legislative and policy issues related to property assessment.

For additional information on Market Value Assessment see Appendix A, and for additional information on Total School Assessment see Appendix B.

The Assessment Branch operates on a cost-recovery basis. Of its total budget ($8,032.0), 25% is recovered from Education and Youth and 75% is paid by municipalities into the Minister's Trust Fund.

Clients

- *Municipalities* use the assessments as a critical component in raising the municipal taxation necessary to support their local service delivery.
- *Manitoba Education and Youth* (Education Support Levy) and the Province's *36 school divisions* (special levy) use the assessments in raising the revenue necessary to support school programs.
- *All government departments* with responsibility for Crown property use the assessments as the basis of grant-in-lieu of tax payments made to municipalities.
- *Property owners, fee appraisers, lending institutions and the public* also use assessment data for a variety of purposes.

Highlights in 2002/2003

- *Technological Changes to Improve Assessment Services:* The Manitoba Assessment Valuation and Administration System (MAVAS), the electronic system used to support the assessment function, was further developed to expand its valuation capabilities and improved ownership recording. Development of automated sketching was begun and other improvements to the processing of mapped information were also in the process of being developed. These initiatives will enable staff to input and access data faster, perform quality control tests more effectively, and prepare assessments more economically.
- *Harmonization of Assessment Branch and City of Winnipeg Property Assessment Department Practices:* The Acting Provincial Municipal Assessor and the City of Winnipeg Assessor commenced a systematic review of assessment policies and procedures, aimed at ensuring commonality of approach wherever possible to increase consistency and equity of assessments across the Province.

3(b) Assessment Services

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	6,107.9	124.50	6,350.9	(243.0)	
Total Other Expenditures	1,430.7	0.00	1,638.0	(207.3)	
Less: Recoverable from Education, Training and Youth	(1,997.2)	0.00	(1,997.2)	0.0	
TOTAL	5,541.4	124.50	5,991.7	(450.3)	

Municipal Finance and Advisory Services (MFAS)

The MFAS Branch supports the building and maintenance of strong municipal governments that can efficiently and effectively respond to their changing environments and serve as the foundation for healthy, viable municipalities.

The specific support provided to municipalities varies widely depending on the capacity and size of the municipalities and its government. Winnipeg, as a large urban centre, operates under a different legislative and funding framework and does not generally require advisory services.

Principal Activities in 2002/2003

- Providing a relevant and enabling legislative policy and framework.
- Providing capacity building, advisory and consultative services on administrative, governance and financial matters.
- Ensuring municipalities meet statutory requirements for financial budgeting, accounting, reporting and capital borrowing, as well as performing the due diligence for capital borrowings.
- Providing annual financial assistance to support the operating and capital priorities of municipalities.

Highlights in 2002/2003

- Introduction of The City of Winnipeg Charter. This new legislative framework for the City of Winnipeg gives the City greater powers and innovative tools to deal with key concerns including downtown renewal, economic development, and neighbourhood revitalization.
- Development and delivery of election support resources for municipal election officials, candidates, and electors for the 2002 general municipal election. These supports included:
  - a guide for prospective members of councils;
  - a new, comprehensive manual for election officials;
  - training seminars for election officials, delivered in eleven regions of the province;
  - an interactive online municipal general election information resource at www.gov.mb.ca/ia/programs/local_elections; and
  - response to more than 1,000 telephone inquiries from election officials, candidates and elected officials.
- Partnering to deliver "Tools for Change", a program to support municipalities interested in exploring new approaches to meeting local challenges. "Tools for Change" was developed in partnership with the Association of Manitoba Municipalities and provides municipalities with practical tools and information, including:
  - The Municipal Health Checklist, a self-analysis tool that enables municipalities to gauge their strengths and understand their challenges;
  - Municipal Approaches to Managing Change, a reference series that combines Health Checklist results with municipalities' situations to assist them with selecting the best approach to managing change and meeting challenges; and
  - Successful Municipal Practices, a series of fact sheets highlighting successful municipal innovations.

- Provision of facilitation services, local governance modeling and financial modeling in support of locally driven restructuring initiatives aimed at ensuring viable communities and affordable service delivery. These services supported two mergers effective January 1, 2003:
  - The Village of Garson and Rural Municipality of Brokenhead merged to form a new Rural Municipality of Brokenhead; and
  - The Town of Gimli and the Rural Municipality of Gimli merged to form a new Rural Municipality of Gimli.

- Design and delivery of seminars including:
  - "Now that I'm Elected, What Next?", targeted to newly elected municipal officials. This seminar, presented at the Association of Manitoba Municipalities' annual conference, examined issues facing elected municipal officials; and
  - "New Council Seminars", one day seminars delivered in nine regions across the Province. These seminars covered a broad range of topics related to issues facing newly elected officials including the *Municipal Council Conflict of Interest Act*, municipal budgeting and planning priorities, economic development and meeting protocol.

- Undertaking due diligence requirements related to municipal capital borrowing to assist municipalities in financing capital projects. In 2002, $24.4 million in capital borrowing was conducted by Manitoba municipalities, a 36.1% decrease from the $38.3 million borrowed in 2001. The number of borrowing applications increased 27.0% from 68 in 2001 to 87 in 2002. Municipal borrowing, along with other municipal financial information, is reported in the Branch's annual publication, *"Statistical Information for Municipalities"*.

- Administration of Provincial Municipal Tax Sharing (PMTS) payments. PMTS represents a unique source of growth revenues for municipalities. Annual PMTS payments are equal to 2.2 points of the percentage of the personal tax otherwise payable under the *Income Tax Act* (Canada) and an amount equal to one percent of the taxable income of corporations earned in Manitoba (net of capital gains refunds). In 2002/03, $82.5 million was shared with Manitoba municipalities, a level consistent with 2001/02. Although these payments are administered by branch staff, they are not reflected in the estimates of the Department.

- Delivery of comprehensive funding support to all Manitoba municipalities. The Province has a different arrangement for financial support to Winnipeg than other municipalities, given the different needs, demographics and economies of these municipalities.

  - Over $100.0 million in provincial funding was provided to the City in 2002/03 through the Department of Intergovernmental Affairs, in addition to program related support from other provincial government departments. Provincial funding support provided to the City on an annual basis includes Provincial Municipal Tax Sharing payments ($47.3 million in 2002/03) and ongoing operating and capital grant funding. Financial support to the City of Winnipeg is detailed elsewhere in this report starting on page 38.

  - The branch also delivered funding support to municipalities outside the City of Winnipeg through a number of unconditional and conditional grant programs, including Provincial Municipal Tax Sharing ($35.2 million in 2002/03) and Video Lottery Terminal payments. Additional capital support was provided on a project basis through other Department programs including the Canada-Manitoba Infrastructure Program, Manitoba Water Services Board and through support for Conservation Districts. Financial support to municipalities outside the City of Winnipeg is detailed starting on page 40 of this report.

3(c) Municipal Finance and Advisory Services

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	1,043.4	18.80	1,145.3	(101.9)	
Total Other Expenditures	419.0	0.00	371.7	47.3	
Less: Recoverable from Urban Development Initiatives	(109.7)	0.00	(109.7)	0.0	
TOTAL	1,352.7	18.80	1,407.3	(54.6)	

Information Systems

The Branch supports and improves the delivery of Intergovernmental Affairs programs by introducing advanced information technology, developing new systems, and helping redesign business processes.

The Branch provides application development, technical support, and clerical support to tax billing, assessment, and internal departmental systems.

Principal Activities in 2002/2003

- Support, operation and maintenance of the Manitoba Assessment Computer System (MACS) and the Manitoba Assessment Valuation and Administration System (MAVAS) to produce annual assessment rolls and notices for municipalities, including enhancements to ensure that the technology supporting these business processes remains current.

- System support and operation through the preparation and processing of annual tax statements for municipalities, and water-billing services for some municipalities.

- Support and operation of other Intergovernmental Affairs systems, including maintaining:
  - the Economic Development Initiative Tracking System for the REDI (Rural Economic Development Initiatives), REA (Rural Entrepreneurial Advisory) and CWLP (Community Works and Loans Program) to provide the ability to monitor and report on the progress and impact of their initiatives;
  - the Community Planning Services (CPS) Activity Tracking System to provide the ability to monitor the progress of various items at the regional planning offices;
  - the Municipal Board Letters System for the Municipal Board to schedule and track hearings and send out notices to appellants;
  - the Resident Home Owner Tax Assistance (RHOTA) System, used to confirm eligibility and provide qualified taxpayers with the RHOTA deduction; and
  - a variety of other smaller systems to support functions such as budgets, salary projections, and vehicles.

Clients

- *Primary internal clients* are *other Intergovernmental Affairs branches (primarily the Assessment Branch)* that rely on Information Systems to provide information technology services. Other internal clients include Manitoba Education and Youth and Manitoba Finance.

- *Primary external clients* are municipalities for the assessment rolls and notices, budget re-caps, and tax statements for budgeting and tax collection purposes.

- *Secondary external clients* are organizations involved in real estate, appraisal, financial or legal business sectors that receive assessment data from Information Systems.

Highlights in 2002/2003

- *Geographical information systems implementation:* In conjunction with the Assessment and Community Planning Services Branches, Information Systems began developing a Geographical Information System (GIS) to support Intergovernmental Affairs needs for automated mapping, to permit assessors and planners to graphically depict and analyze data that is at present stored only in a text based manner. The GIS will improve quality control of assessment data collection and reduce efforts in amassing data for land use planning decisions.

- *Migrating assessment and property tax systems processing:* Continuing to implement the long-term plan to increase functionality without increases in system costs, by continuing to reduce the use of the IBM mainframe system for assessment and property tax systems processing. With the bulk of the assessment processing migrated to a PC based system, work began on redeveloping the property tax system, which will provide much-needed enhancements. To date, this initiative has been very successful, adding significant functionality within existing budget levels.

- *Planning for 2006 Reassessment:* With the next reassessment for the 2006 tax year, the bulk of all the processing must be completed by no later than 2005, and the system requirements to support the next reassessment were identified and an appropriate work plan developed to meet that goal.

3(d) Information Systems

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	880.6	15.30	845.0	35.6	
Total Other Expenditures	1,199.7	0.00	1,434.5	(234.8)	1
Less: Recoverable from Education, Training and Youth	(427.6)	0.00	(427.6)	0.0	
TOTAL	1,652.7	15.30	1,851.9	(199.2)	

Explanation

1. The underexpenditure in Other Expenditures was due to the deferral of projects.

Rural and Northern Community Economic Development Services

Overview

The focus of the Rural and Northern Community Economic Development Services is to enhance and foster community economic development in rural and northern communities. The Division pursues this mandate by partnering with local governments, community development organizations, individuals and entrepreneurs in both the private and co-operative sectors to identify and address needs related to local capacity, including entrepreneurial and co-operative development, infrastructure and volunteer and organizational management. The Division is responsible for building and maintaining the Government's legislative, policy and program framework for strategic provincial investment and collaboration in rural and northern community development. The Division co-ordinates and delivers a series of programs under the Rural Economic Development Initiative (REDI), and also works in conjunction with other provincial departments and other levels of government to develop and implement additional collaborative initiatives.

The Division delivers its services through two branches: Community and Regional Development Initiatives (CARDI) and Economic Development Initiatives (EDI). It should be noted that Co-operative Development Services was integrated into the Division in late 2002. Its primary external clients are Regional Development Corporations and Community Development Corporations supported jointly with rural local government and northern community councils and rural and northern community economic development organizations, as well as individual entrepreneurs and co-operatives. Funding is also provided for the administration of the Manitoba Water Services Board.

The Division has its head office in Winnipeg, with Community Economic Development Officers located in seven regional offices throughout the Province, where they provide access to service on all aspects of community economic development.

Executive Administration

The office of the Assistant Deputy Minister co-ordinates policy development, analysis and program delivery within the Division. Direction is provided to staff of the Division to provide programs, services and financial assistance in the areas of community development, conservation, and economic development. The Assistant Deputy Minister's office provides the Deputy Minister, the Minister and the Executive level of government with information and advice regarding community and economic development matters and business development initiatives.

4(a) Executive Administration

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	117.1	1.50	112.9	4.2	
Total Other Expenditures	30.0	0.00	30.6	(.6)	
TOTAL	147.1	1.50	143.5	3.6	

The Manitoba Water Services Board

The Manitoba Water Services Board (Board) was established under the authority of *The Manitoba Water Services Board Act* in 1972. Its basic objectives are to provide cities, municipalities, towns, villages, and individual farmers, with technical and financial support in developing and/or upgrading water and/or sewer infrastructure.

The Board's activities are directed by a five-person Board chaired by the Deputy Minister of Intergovernmental Affairs. The Board, which prepares an Annual Report each fiscal year as a statutory requirement, reports to the Legislature through the Minister of Intergovernmental Affairs.

Day to day activities are conducted by staff in the head office in Brandon and also by field staff located in Beausejour, Carberry, Dauphin, Hamiota and Stephenfield. The Board is also responsible for the Conservation Districts (CD) Program and has an office in Gladstone to manage the Program.

The specific objectives of the Board are identified in the Legislation and met through the grant programs described below and in the section for Financial Assistance to Municipalities. These grant programs briefly are: Water Development Program to assist rural residents; Sewer and Water Program to assist urban communities; and the CD Program to provide sustainable Soil and Water Management Programs in 16 CDs in partnership with participating municipalities.

4(b) The Manitoba Water Services Board

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	1,536.8	30.00	1,579.4	(42.6)	
Total Other Expenditures	343.5	0.00	357.6	(14.1)	
TOTAL	1,880.3	30.00	1,937.0	(56.7)	

Community and Regional Development Initiatives

The Community and Regional Development Initiatives (CARDI) Branch was established in January 2002, with the integration of the Program and Policy Development Branch and Regional Services. In September 2002, the Minister of Intergovernmental Affairs was given the additional responsibility of co-operative development. Co-operative Development Services was transferred to the Department from Industry, Trade and Mines into this Branch. For the current reporting year, Co-operative Development Services will be dealt with separately, but from 2003 forward will be dealt with in an integrated branch report.

Principal Activities in 2002/2003

- *Planning and Strategic Development:* Supports a coherent and co-ordinated approach to rural and northern community economic development through the development of economic strategies, plans and initiatives, often in co-operation and collaboration with other levels of government,

communities, the private, co-operative and voluntary sectors and other non-government organizations.

- *Regional Services*: Provides direct support to communities and councils, organizations and individuals in the development of capacity and the capture of opportunities by providing path-finding services and advice to promote community regional economic development generally.

- *Strategic Initiatives:* Provides leadership in co-ordination and management of major events such as Rural Forum, and supports the Government in administering Agreements with Ukraine and Nunavut.

Highlights in 2002/2003

- Implemented new funding agreements for Manitoba's Regional Development Corporations (RDCs) as a major step towards a co-ordinated and integrated provincial community economic development system.

- The Department's usual high standards in servicing delegations as part of its normal international agreement co-ordination function garnered an outstanding assessment from two Ukrainian legislator delegations participating in the Canada-Ukraine Legislative and Intergovernmental Program (CULIP).

- Successfully co-ordinated the 10th anniversary edition of Rural Forum.

- Represented Manitoba interests in inaugural National Rural Policy Framework discussions.

- Established innovative, collaborative partnerships with the federal government to pursue joint and/or complementary initiatives and programs in rural and northern areas.

4(c) Community and Regional Development Initiatives

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	921.1	14.00	943.7	(22.6)	
Total Other Expenditures	196.9	0.00	224.7	(27.8)	
TOTAL	1,118.0	14.00	1,168.4	(50.4)	

Economic Development Initiatives (EDI)

EDI supports the development of local capacity and sustainable individual and collective economic development activity through the delivery of programs and services supported by the $16.225 million Rural Economic Development Initiative (REDI), including grant funding to Manitoba's Regional Development Corporations.

Principal Activities in 2002/2003

EDI staff are responsible for the overall co-ordination, implementation and delivery of the REDI programs listed below:

- *Feasibility Studies Program:* Cost-shared (up to 50%) financial assistance to rural businesses and municipalities to access reliable research and planning for potential new or expanding projects that contribute to community prosperity, including the creation of jobs. The Program enables applicants to acquire independent professional assistance to undertake financial, marketing or engineering analyses and/or develop a business plan. Projects were also approved in 2002/03 for ISO 9000 studies, where they directly related to increased export potential, as well as analyses and plans under the HACCP (Hazard Analysis and Critical Control Point) program, which is an important credential for agricultural value-added businesses seeking to enter or maintain international markets.

- *Rural Entrepreneur Assistance Program (REA):* Provides loan guarantees from $10,000 to $100,000 through participating financial institutions for full-time, small and home-based businesses in rural Manitoba, along with training seminars and ongoing business support. An additional 35 business loan guarantees were approved in 2002/03, totalling $1,869,305 in total loans leveraged through REA. These new business starts and expansions generated 113 full-time equivalent jobs in addition to over $2.7 million in new capital investment (loans and equity) in rural Manitoba.

- *Community Works Loan Program (CWLP):* Up to $50,000 funding to participating Community Development Corporations (CDCs) to establish revolving capital pools supporting new or expanding small businesses with loans of up to $10,000. A new CDC joined the existing pool of sixty-seven CDCs in 2002/03. These CDCs have made 507 business loans totalling over $3.4 million, creating 795 new jobs and maintaining 419 positions in rural Manitoba.

- *Grow Bonds Program:* Provincial guarantees of bond principal in local capital offerings planned and managed by local bond corporations. In 2002/03, a new Grow Bond was approved for $1.1 million.

- *Infrastructure Development Program:* Assists communities with smaller infrastructure improvements directly linked to new or expanding businesses. Two projects were approved in 2002/03.

- *Green Team Program:* This Program is administered by Education and Youth and assists communities, municipalities, tourism operators and Conservation Districts to hire youth 16-24 for summer projects. It also supports summer employment opportunities in provincial parks. Over 600 Manitoba youth found local, rural summer employment through this program in 2002.

- *Partners With Youth Program:* Also administered by Education and Youth, this Program helps improve the employability of youth facing multiple barriers to employment or who are on social assistance. In 2002/03 the Partners with Youth Program funded fifteen community-based projects, employing or assisting 131 youth participants. The Young Entrepreneur component helps youth establish new full-time, year-round businesses with grants of up to $4,000. Forty-three projects were approved in 2002/03.

- *Strategic Initiatives:* Provides support for both large and small projects which will be strategically significant in building a foundation for sustainable economic development and diversification of the rural and northern economies, including infrastructure support and pilot projects, among others.

Highlights in 2002/2003

- Assumed a leadership role in the successful transformation of the Keystone Centre through the revitalization of the Board, institution of an accountable governance model, financial assistance to address outstanding long-term debts and development of a long-term capital and maintenance plan.

- Finalized legal agreements pertaining to the construction of the $150 million Simplot potato processing facility in Portage la Prairie. These agreements set out performance standards required of Simplot with respect to staffing and capital expenditures as a condition of provincial funding.

- Assumed a leadership role in supporting AgFibe to host an international conference on the commercial fibre industry, highlighting Manitoba's role and place in this emerging sector.

4(d) Economic Development Initiatives

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	702.2	13.00	730.5	(28.3)	
Total Other Expenditures	941.3	0.00	460.9	480.4	1
Grants	481.2	0.00	545.0	(63.8)	
TOTAL	2,124.7	13.00	1,736.4	388.3	

Explanation

1. ***The overexpenditure in Other Expenditures was due to the provision required for Grow Bonds doubtful guarantees.***

Recoverable from Rural Economic Development Initiatives

Provides for the recovery of expenditures related to Community and Regional Development Initiatives and Economic Development Initiatives, and grants to the Regional Development Corporations, from the Rural Economic Development Initiatives Program.

4(e) Recoverable from Rural Economic Development Initiatives

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Expenditures	(2,195.0)	0.00	(1,870.0)	(325.0)	1

Explanation

1. ***The increased recovery is primarily due to the increase in the provision for Grow Bonds doubtful guarantees, as those expenditures are recoverable from Rural Economic Development Initiatives.***

Rural Economic Development Initiatives (REDI)

The REDI Program reinvests video lottery terminal (VLT) revenue back into rural and northern Manitoba to promote community economic development and diversification. It helps local communities to identify and capture opportunities by building local capacity, physical infrastructure and social capital. It also assists individual entrepreneurs and co-operatives to successfully establish new enterprises. The Program focuses on developments that bring long-term benefits to urban and rural communities outside of Winnipeg. REDI funds are used to foster local and regional priorities and strategic plans in support of sustainable community development.

REDI PROJECTS	Total
Eligible project proposals received (including REA)	1,109
Projects approved for funding (including REA)	872
Projects/applications not approved for REDI funding	97
Projects/applications withdrawn by the applicant	140

The Rural Economic Development Initiatives Program (REDI) has approved funding of $134.9 million since its inception for rural economic development projects. Since 1992, the REDI Program has created/maintained over 6,500 jobs and 8,700 youth employment opportunities throughout rural Manitoba.

4(f) Rural Economic Development Initiatives

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Programs - Operating	10,764.8	0.00	11,467.5	(702.7)	
Total Programs - Capital Grants	4,842.6	0.00	4,757.5	85.1	
TOTAL	15,607.4	0.00	16,225.0	(617.6)	

Co-operative Development Services

The Co-operative Development Services unit was brought into the Rural and Northern Community Economic Development Division in September 2002, following a shift in Ministerial responsibilities.

The Co-operative Development Services unit supports local capacity to use the co-operative model to support local and regional community economic development by providing information and guidance to co-operatives, as well as to communities interested in using the co-operative model.

Principal Activities in 2002/2003

- The Co-operative Development Services unit works with individuals and groups to facilitate needs-assessment processes and the identification of opportunities for co-op development, and provides direct consultant support to potential, new and existing co-operatives to establish and maintain viable co-operative enterprises. The unit also provides assistance to co-operatives interested in accessing resources through the Cooperative Promotion Board and the Co-operative Loans and Loans Guarantee Board.

- The unit, in collaboration with the Community and Regional Development Initiatives Branch, also researches, develops, implements and co-ordinates co-operative development policies and initiatives.

Highlights in 2002/2003

- Assisted in the development and establishment of community fitness centres as a new area of co-operative activity in rural Manitoba. These facilities would not be otherwise financially viable, and contribute to both the social and physical well-being of both its members and non-member users.

Co-operative Development Services

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	289.8	5.00	309.7	(19.9)	
Total Other Expenditures	173.9	0.00	78.0	95.9	
TOTAL	463.7	5.00	387.7	76.0	

Financial Assistance to Municipalities

Financial Assistance for The City of Winnipeg

The Province provides a comprehensive package of funding support to the City of Winnipeg, administered by the Department of Intergovernmental Affairs, which includes operating and capital grants and strategic priority funding to address key City funding pressures. Funding is offset to reflect the cost neutral transfer of City income assistance and public health services to the Province and the Winnipeg Regional Health Authority respectively.

In 2002/03, the Department administered direct financial assistance to the City through on-going operating and capital funding programs as well as through special strategic funding allocations which provided flexible funding to address priority operating initiatives and capital projects identified throughout the year.

In addition to operating and capital grant funding, Winnipeg also received a share of personal and corporate income tax revenues through Provincial Municipal Tax Sharing (PMTS) payments. Over $100.0 million in provincial funding was provided to the City in 2002/03 through the Department of Intergovernmental Affairs, in addition to program related support from other provincial government departments.

The Department also provided funding to support infrastructure repairs to the Red River Floodway Control Structure. A total of $500.0 was provided in 2002/03.

Operating Assistance to The City of Winnipeg

5(a)(1) Financial Assistance for The City of Winnipeg – Operating Assistance

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Other Expenditures					
Unconditional Current Programs Grant	19,887.5	0.00	19,887.5	0.0	
Unconditional Transit Operating Grant	16,854.0	0.00	16,854.0	0.0	
General Support Grant	7,931.2	0.00	7,939.0	(7.8)	
Dutch Elm Disease Control Program Grant	900.0	0.00	900.0	0.0	
Unconditional Grant – Urban Community Development	7,820.0	0.00	7,560.0	260.0	
Strategic Initiatives	1,723.5	0.00	0.0	1,723.5	1
Less: Adjustment to reflect Program transfers from the City of Winnipeg	(23,500.0)	0.00	(23,500.0)	0.0	
TOTAL	31,616.2	0.00	29,640.5	1,975.7	

Explanation

1. ***The City of Winnipeg received $1.7 million through a special allocation to address key operating funding pressures, including $923.5 to support the extension of nuisance mosquito larviciding outside the City boundaries.***

Capital Assistance

Capital Financial Assistance to The City of Winnipeg

Capital grants are provided to the City of Winnipeg for infrastructure projects. These grants are provided under the Urban Capital Projects Allocation (UCPA), the Residential Street Repairs program, and an allocation for priority capital projects.

Capital grants are intended to provide Winnipeg with greater flexibility and autonomy in capital expenditure decisions, greater certainty in capital funding as well as to support Manitoba's commitment to municipal infrastructure renewal through a financial partnership between the Province and the City of Winnipeg.

Under UCPA III, $96.0 million has been committed in both unconditional and cost-shared funding for various capital infrastructure projects over the six-year period between 1997/98 and 2002/03. UCPA III capital grant payments totalling $12,976.0 were made to the City of Winnipeg in 2002/03 for work completed on projects approved in 2002 and prior years.

Residential Street Repairs program funding of $5,000.0 was provided to cost-share needed repairs to residential streets throughout Winnipeg.

Priority capital projects funding of $1,150.0 was also provided through a special allocation to support projects jointly selected by the Province and the City of Winnipeg.

5(a)(2a) Financial Assistance for The City of Winnipeg – Capital Assistance

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Expenditures	19,126.0	0.00	20,850.0	(1,724.0)	

Explanation

1. ***The 2002/03 Estimate was based on projected cashflow requirements. Actual requirements were lower than anticipated either due to delays in the completion of some projects or due to some projects coming in under budget. This funding was redirected to provide the City with additional funding to address unanticipated operating pressures.***

Red River Floodway Control Structure

This project is managed by Manitoba Conservation. Repairs were completed in the winter of 2002/03 on the east gate structure.

5(a)(2b) Red River Floodway Control Structure

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Expenditures	500.0	0.00	500.0	0.0	

Financial Assistance to Other Municipalities

Financial Assistance to Other Municipalities – Operating Assistance

Transit Grants

Transit Grants are paid to urban centres, other than the City of Winnipeg, who operate a public transportation system, and are unconditional based on approved funding.

The Mobility Disadvantaged Transportation Program assists communities that have taken the initiative in providing transportation services for the mobility disadvantaged in rural Manitoba. The Department provides eligible municipalities with a one-time start-up grant ($6,000) and capital grants based on 50% of the cost of an approved capital asset ($10,000 maximum). Operating grants are based on 37 1/2% of gross operating expenses ($20,000 maximum; $30,000 for two vehicles). In 2002/03 funding was provided to 64 communities.

General Support Grants

The General Support Grant provides eligible Manitoba municipalities with unconditional financial support in recognition of expenditures required for payment of the Provincial Health and Post Secondary Education Levy. The grant is distributed to municipalities based on prior years' actual payroll. Municipalities with actual payroll costs less than $2.0 million received a grant of 4.3% of payroll costs less $1.0 million exemption. Municipalities with actual payroll costs greater than $2.0 million received a grant of 2.15% of payroll costs.

Unconditional Grants – Rural Community Development

The Rural Community Development Grant provides unconditional support to all municipalities (excluding Town of Winkler and LGD of Mystery Lake) and Northern Affairs communities, funded by a 10% share of net Video Lottery terminal (VLT) revenues generated in rural communities. In 2002/03 municipalities received a per capita payment of $14.80. Manitoba Aboriginal and Northern Affairs receives a portion of the VLT funding available for distribution based on the population of the Northern Affairs communities as a percentage of the total Manitoba population, excluding First Nations and the City of Winnipeg. For 2002/03 their share of the total funding was $142,594.

5(b)(1a) Financial Assistance to Other Municipalities – Operating Assistance

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Transit Grants	1,603.5	0.00	1,604.3	(0.8)	
General Support Grants	1,068.1	0.00	1,040.1	28.0	
Unconditional Grants – Rural Community Development	6,490.0	0.00	6,490.0	0.0	
TOTAL	9,161.6	0.00	9,134.4	27.2	

Financial Assistance to Other Municipalities – Capital Assistance

Transit Bus Purchases

Under this Program, capital grants are provided to assist municipal governments (excluding Winnipeg) with the purchase of handi or regular transit buses. Grants are based on 50% of the cost of bus purchases, subject to a program ceiling.

5(b)(2a) Transit Bus Purchases

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Transit Bus Purchases	140.0	0.00	140.0	0.0	

Sewer and Water Programs

The Manitoba Water Services Board provides technical and financial assistance to municipalities to develop water and sewer systems. Projects where there are documented public health or environmental problems and/or have economic benefits to the Province and the municipality will receive 50% provincial grants. Projects that are primarily of local improvement in nature will receive 30% provincial grants.

The Board also provides technical and financial assistance to rural residents, a federally cost-shared program known as the Water Development Program. The Board's grant is generally 33 1/3% of the eligible project costs.

The Board signed agreements with a number of communities to undertake sewer and water projects. Totals shown below reflect projects in design phases, under construction, and completed in 2002/03. Details of the Programs and Projects may be obtained from the Board's Annual Report.

Sewer and Water Programs

Total Clients Served	2002/03 Provincial Grants	Expl. No.
56 Municipalities	$11,250.0	1,2

Explanation

1. ***Provincial grants enable the Board to carry out sewer and water projects totalling about $25.0 million. The total includes municipal, as well as federal, cost sharing on projects.***
2. ***In addition to the Water and Sewer Program, the Board also acted as Project Manager in the development of Simplot "Off-site Works" in Portage la Prairie, for water and wastewater systems totalling $22.0 million.***

Water Treatment Plants

On April 1, 2002, the Board owned and operated 10 previously constructed (prior to 1972) water treatment plants and operated for the municipality one newly constructed (1972/1986) water treatment plant.

Effective April 1, 2002, the Board raised the maximum water rates for five previously constructed water treatment plants per agreements with the respective municipality/village. The water rate was increased by CPI for one newly constructed water treatment plant, from $5.75 to $5.94 per 1,000 Imperial gallons.

5(b)(2b) Sewer and Water Programs

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Sewer and Water Grants	11,250.0	0.00	11,250.0	(0.0)	

Conservation Districts Grants

The Province provides grants to support the Conservation Districts (CD) Programs such as water management, soil conservation, water storage, wildlife habitat, historic resources and recreation, public education, administration and a variety of other programs that promote sustainable resource management, along watershed boundaries.

In 2002/03 provincial grants totalling $3,097,000 were provided to 16 Conservation Districts as follows:

• Whitemud Watershed*	$460,000
• Turtle River Watershed *	$300,000
• Alonsa	$240,000
• Turtle Mountain	$300,000
• Cooks Creek *	$125,000
• Pembina Valley	$270,000
• West Souris River	$200,000
• Upper Assiniboine River	$240,000
• Intermountain	$180,000
• Little Saskatchewan River	$120,000
• Kelsey	$120,000
• Lake of the Prairies	$ 77,000
• Tiger Hills	$ 90,000
• LaSalle Redboine	$ 200,000
• Mid Assiniboine River	$ 90,000
• Seine-Rat River	$ 85,000

*An additional $230,000, $100,000 and $120,000 in capital grants was provided to Whitemud, Turtle River and Cooks Creek, respectively, for Waterway Crossings. Details may be obtained from the Annual Report for the Conservation Districts of Manitoba.

5(b)(2c) Conservation Districts

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Conservation Districts	3,097.0	0.00	3,097.0	0.0	

Infrastructure Development

This program is designed to assist large infrastructure projects to enhance sustainable economic development in various communities in Manitoba.

5(b)(2d) Infrastructure Development

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Infrastructure Development	3,150.0	0.00	3,150.0	0.0	

Grants to Municipalities in Lieu of Taxes

Grant in lieu of taxes on land exempt from municipal taxation is paid to municipalities for services extended to provincial lands contained within local government boundaries. A grant, equivalent to school and municipal taxes, is paid on all provincial properties except those that are exempt. Exempt properties include public highways, provincial waterways and land in provincial park or recreation areas.

	GRANTS IN LIEU PAID	
	2001/02($)	2002/03($)
RMs	2,197,784	2,071,716
Villages	34,557	35,071
Towns	950,546	959,531
LGDs	13,615	9,726
Cities (including Winnipeg)	10,372,951	10,855,532
Northern Affairs	134,375	141,597
Agricultural Refunds	(19,397)	(19,691)
Municipalities and Northern Communities	13,684,431	14,053,482

5(c) Grants to Municipalities in Lieu of Taxes

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Grants	14,053.5	0.00	14,081.2	(27.7)	
Recoverable	(13,911.3)	0.00	(13,911.3)	0.0	
TOTAL	142.2	0.00	169.9	(27.7)	

Recoverable From Urban and Rural Economic Development Initiatives

This Program provides for the partial recovery of operating and capital expenditures related to the Mobility Disadvantaged Transit Program and for the partial recovery of capital expenditures related to Sewer and Water, Conservation District Grant, and the Strategic Initiatives – Capital programs from the Rural Economic Development Initiatives Program. Provides for the recovery of expenditures related to the Red River Floodway Control Structure and Dutch Elm Program from the Urban Development Initiatives Program.

5(d) Recoverable From Urban and Rural Economic Development Initiatives

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Recoverable	(5,771.7)	0.00	(5,772.5)	.8	

Canada-Manitoba Agreements

Canada-Manitoba Infrastructure Secretariat

The Canada-Manitoba Infrastructure Secretariat administers two federal-provincial cost-shared programs supportive of the Department's mandate:

- The ***Canada-Manitoba Infrastructure Program (CMIP)*** provides capital contributions to enhance local infrastructure and thereby strengthens the foundations of local government; and
- The ***Canada-Manitoba Economic Development Partnership Agreement (EDPA)*** strategically partners with stakeholders to enhance community and economic development opportunities throughout the Province.

With these two programs, the activities of the Secretariat are in line with the primary roles of the Department – direct service delivery to local governments and co-ordinating federal-provincial program delivery in conjunction with local communities.

Principal Activities in 2002/2003

Staffed with federal and provincial officials, the joint Secretariat minimizes overlap and duplication in federal-provincial program delivery and contributes to a co-operative federal-provincial relationship. The primary responsibility is delivery of the Canada-Manitoba Infrastructure Program:

- Providing program support to both the federal and provincial Ministers responsible for Infrastructure.
- Managing the local application intake, review, and approval process.
- Overseeing the environmental assessment of projects.
- Facilitating the local government consultative process.
- Administering funding contributions to local government infrastructure projects.
- Co-ordinating public information activities.

As mentioned, the Secretariat is also responsible for *provincial* EDPA delivery. Unlike CMIP, federal and provincial EDPA delivery is administered separately by respective governments.

CMIP and EDPA are the main vehicles of major federal and provincial funding support to infrastructure and economic development projects throughout the Province.

Highlights in 2002/2003

For further information relating to CMIP and EDPA 2002/03 highlights and project approvals, refer to the separate Annual Reports published for each.

The Canada-Manitoba Infrastructure Program Annual Report 2002/03 is the first joint Annual Report for Infrastructure issued by Manitoba and Canada.

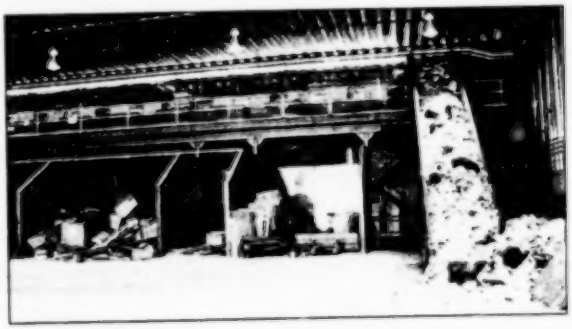
Canada-Manitoba Infrastructure Program (CMIP)

Launched in October 2000, CMIP is injecting over $180 million into Manitoba's urban, rural and northern municipal infrastructure over a six-year period. Through the construction, renewal, expansion or material enhancement of infrastructure throughout Manitoba, the program is improving the quality of life for all citizens and building the foundation for sustained long-term economic growth in the 21st century.

The program continues a history of collaboration and partnership amongst Canada, Manitoba, and local communities on enhancements to infrastructure.

CMIP objectives are to improve the quality of life of Canadians through investments that:

- Enhance the quality of Canada's environment.
- Support long-term economic growth.
- Improve community infrastructure.
- Build 21st century infrastructure through best technologies, new approaches and best practices.



The **primary investment focus** is green municipal infrastructure. This includes projects that will protect and/or enhance the quality of the environment, such as water and wastewater systems, water management, solid waste management and recycling, and capital expenditures to retrofit or improve the energy efficiency of buildings and facilities owned by local governments.

The **secondary focus** is other local infrastructure, including local transportation infrastructure, cultural and recreational infrastructure, infrastructure supporting tourism, rural and remote telecommunications, high-speed Internet access for local public institutions, and affordable housing.

Manitoba's Infrastructure Program is characterized by good, co-operative federal-provincial relations at both the elected and officials level, as well as a positive consultative process in project selection with local governments through Winnipeg City Council, the Association of Manitoba Municipalities (AMM), and the Northern Association of Community Councils (NACC).

6(a) Canada-Manitoba Infrastructure Program

Expenditures by Sub-appropriation	Actual 2002/03 $	FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Infrastructure Agreement	12,640.8	6.00	12,940.4	(299.6)	

Canada-Manitoba Economic Development Partnership Agreement (EDPA)

Consisting of matching federal and provincial contributions, the Canada-Manitoba Economic Development Partnership Agreement is a five-year, $40 million program ending March 31, 2004. EDPA promotes greater federal-provincial co-operation in Manitoba's economic development through strategic investments with other interested stakeholders. Strategic priorities are:

- Business Development
- Regional Innovation
- Regional Strategic Priorities
- Innovative Economic Development Studies.

A separate Annual Report on the Canada-Manitoba Economic Development Partnership Agreement is prepared each fiscal year.

6(b) Canada-Manitoba Economic Development Partnership Agreement

Expenditures by Sub-appropriation	Actual 2002/03 $	Actual 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Economic Development Partnership Agreement	2,556.9	0.00	2,250.0	306.9	

Urban Strategic Initiatives

Overview

The focus of Urban Strategic Initiatives is on enhancing and supporting opportunities in urban communities. The Division partners with and provides support to community groups in designated urban areas in Winnipeg, Brandon and Thompson to rebuild their neighbourhoods. It assists activities and projects that strengthen opportunities through the promotion of local capacity building, community economic development, recreation, housing, and education, and provides access to capital for community-based organizations to undertake sustainable community development projects. The Division works in co-operation with other departments and other levels of government to develop and implement urban revitalization and community economic development policies and programs. It provides an urban redevelopment policy framework for provincial investment in strategic downtown revitalization projects and economic and community development initiatives in the City of Winnipeg. The Division co-ordinates and delivers Neighbourhoods Alive!, the Building Communities Initiative, and the Urban Development Initiatives fund.

The Division delivers its services through two branches: Neighbourhood Programs and Urban Community and Economic Development. Its primary external clients are neighbourhood renewal corporations, economic development corporations supported jointly by the City of Winnipeg and other community organizations with which the Division partners in the development and delivery of programming.

Neighbourhoods Alive!

The Neighbourhoods Alive! (NA!) initiative supports community-driven revitalization of designated vulnerable neighbourhoods in Winnipeg (West Broadway, Spence, William Whyte, Lord Selkirk Park and Point Douglas), Brandon (City Centre) and Thompson. It provides individuals and groups in the designated neighbourhoods with the tools they require to strengthen opportunities in their communities. NA! staff is responsible for the overall co-ordination of the initiative, including direct implementation of three of the six NA! programs.

Principal Activities in 2002/2003

- The Neighbourhoods Alive! unit administers the following three NA! programs:
- *Neighbourhood Renewal Fund:* Supports a broad range of community sponsored initiatives in the designated neighbourhoods, including projects that assist neighbourhood capacity building, stability, economic development and well-being.
- *Community Initiatives:* Supports projects that have a broad impact on Winnipeg's inner city or target specific groups across the inner city.
- *Neighbourhood Development Assistance:* Provides start-up and long-term core operating support for Neighbourhood Renewal Corporations (NRCs) that implement community economic development within neighbourhoods designated under Neighbourhoods Alive!

Highlights in 2002/2003

- The Neighbourhoods Alive! initiative committed almost $3.0 million for 88 projects that support the revitalization of neighbourhoods in need in Winnipeg, Brandon and Thompson. Details of these projects are available on the Neighbourhoods Alive! website @ www.neighbourhoodsalive.mb.ca.

- *A Report to the Community - Volume I*, the inaugural annual report on Neighbourhoods Alive!, was distributed to residents in each of the communities receiving NA! support.

- The Neighbourhoods Alive! web-site was developed, providing activity updates and access to a variety of planning tools to communities.

- An evaluation of Neighbourhoods Alive! was completed. This will assist in fine-tuning program delivery and strengthening the Division's partnership with the Neighbourhood Renewal Corporations and other community organizations.

- The Department and community partners also hosted a Neighbourhoods Alive! Forum on September 26, 2002. This half-day session on the topic *How to Build Strong Partnerships to Build Strong Neighbourhoods*, was attended by over 100 community participants.

7(a) Neighbourhoods Alive!

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	165.3	3.00	178.1	(12.8)	
Total Other Expenditures	93.9	0.00	94.8	(0.9)	
Total Neighbourhood Support	3,264.8	0.00	3,392.1	(127.3)	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(1,052.1)	0.00	(1,160.0)	107.9	
TOTAL	2,471.9	3.00	2,505.0	(33.1)	

Neighbourhood Programs

The Neighbourhood Programs Branch researches, develops, implements and co-ordinates sustainable and integrated provincial urban public policy and programs in support of urban revitalization, downtown renewal, and community economic development in Winnipeg. The Branch also oversees the delivery of Neighbourhoods Alive!, the Province's long-term, comprehensive and community-driven revitalization initiative that supports community development in designated vulnerable neighbourhoods in Winnipeg, Brandon and Thompson.

Principal Activities in 2002/2003

The Neighbourhood Programs Branch develops and delivers neighbourhood revitalization programs and provincial urban public policy in support of urban revitalization, downtown renewal, and economic development and community economic development. The Branch liaises extensively with other provincial departments, other levels of government and key stakeholders in the community.

- The Branch worked with representatives of the federal government and the City of Winnipeg towards a new tripartite community and economic development agreement for Winnipeg. On January 26, 2003, the Minister of Intergovernmental Affairs on behalf of the Government of Manitoba, signed a Memorandum of Understanding with the Government of Canada and the City of Winnipeg to begin negotiations on a tripartite Winnipeg agreement that would focus resources on four key priority areas: Aboriginal Participation in the Economy; Building Sustainable Communities; Downtown Renewal; and Supporting Innovation and Technology. The negotiations, involving senior officials from the three governments, commenced immediately.

- The Branch continued to co-ordinate provincial implementation of the Building Communities Agreement, a five-year $14.0 million, cost-shared capital agreement with the City of Winnipeg to improve the physical condition of declining residential neighbourhoods that shoulder Winnipeg's inner city. The community-led strategic planning processes commenced in each of the six Winnipeg "shoulder" neighbourhoods in 2002/03, designated the planning year.

- The Branch has established and maintained effective partnerships with both municipal and federal governments through the development and implementation of joint agreements and the co-ordination of complementary policies and programs.

7(b) Neighbourhoods Programs

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	336.5	5.00	277.1	59.4	
Total Other Expenditures	52.0	0.00	54.0	(2.0)	
TOTAL	388.5	5.00	331.1	57.4	

Urban Community Economic Development

The Urban Community and Economic Development Branch provides an urban redevelopment policy framework for provincial investment in strategic downtown revitalization projects and economic and community development initiatives in the City of Winnipeg, and administers Urban Development Initiatives (UDI). The Branch supports economic and community economic development initiatives within Winnipeg that enhance opportunities for developing long-term capacity and for supporting the integration of social, economic and environmental objectives.

Principal Activities in 2002/2003

The Branch supports local organizations in strengthening their capacity to develop and deliver community economic development initiatives. It also provides financial support to a variety of organizations/programs whose activities promote the revitalization and development of the City of Winnipeg. It also administers UDI, a fund that supports projects and initiatives that enhance Winnipeg's development by providing access to capital and program assistance to community-based organizations and City of Winnipeg economic development agencies (CentreVenture Development

Corporation, Destination Winnipeg, and the Winnipeg Convention Centre). The funding in each fiscal year is based on 25% of the anticipated VLT revenues generated within the City of Winnipeg.

- Urban Development Initiatives provided almost $19 million in funding for 44 projects and activities in support of community and economic development in Winnipeg.

- The Department played a major role in helping to organize the national Canadian Community Economic Development Network (CCEDNet) conference that was held in Winnipeg September 26-28, 2002. The theme of the conference was *Strategies for Community Success* and it attracted over 350 attendees from throughout Manitoba and across Canada.

7(c) Urban Community Economic Development

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Salaries	154.0	5.00	242.6	(88.6)	
Total Other Expenditures	62.7	0.00	57.7	5.0	
Less: Recoverable from Urban Development Initiatives	(172.1)	0.00	(230.3)	58.2	
TOTAL	44.6	5.00	70.0	(25.4)	

Urban Development Initiatives (UDI)

Winnipeg has one of the most diverse economies in Canada, with steady growth and a low cost of living. UDI supports projects and initiatives that enhance Winnipeg's development. It also provides program assistance to community based organizations and City of Winnipeg economic development agencies. The level of funding each fiscal year is based on 25% of the anticipated annual VLT revenues from within the City of Winnipeg. This funding is in addition to the financial support provided directly to the City of Winnipeg by Intergovernmental Affairs – Municipal Finance and Advisory Services.

7(d) Urban Development Initiatives

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Total Expenditures	18,783.3	0.00	18,900.0	(116.7)	

Amortization and Other Costs Related to Capital Assets

This appropriation was established to provide for the amortization of the Department of Intergovernmental Affairs capital assets.

13-8 Amortization and Other Costs Related to Capital Assets

Expenditures by Sub-appropriation	Actual 2002/03 $	Estimate 2002/03 FTE	Estimate 2002/03 $	Variance Over/(Under)	Expl. No.
Costs Related to Capital Assets	414.5	0.00	429.3	(14.8)	

Financial Information Section

Reconciliation Statement

Details	2002/03 Estimates $
Printed Estimates of Expenditure 2002/03	141,925.7
Allocation of funds from:	
- Enabling Appropriations re: Canada-Manitoba Enabling Vote – Infrastructure Program	2,588.1
- Enabling Appropriations re Internal Reform	7.6
Transfer of functions from:	387.7
- Industry, Trade & Mines	
Estimates of Expenditure 2002/03 (Adjusted)	144,909.1

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2003 with comparative figures for the previous fiscal year.

ESTIMATE 2002/03		APPROPRIATION	ACTUAL 2002/03	ACTUAL 2001/02	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-1	**ADMINISTRATION AND FINANCE**				
$28.4	(a)	Minister's Salary	28.3	28.0	0.3	
	(b)	Executive Support				
508.8		1 Salaries	432.3	386.2	46.1	
83.0		2 Other Expenditures	82.8	88.0	(5.2)	
	(c)	Brandon Office				
151.9		1 Salaries	100.6	118.1	(17.5)	
55.0		2 Other Expenditures	52.6	59.5	(6.9)	
	(d)	Human Resource Management				
140.2		1 Salaries	118.0	128.2	(10.2)	
27.2		2 Other Expenditures	27.3	27.0	0.3	
	(e)	Financial and Administrative Services				
423.8		1 Salaries	423.8	403.9	19.9	
193.7		2 Other Expenditures	146.6	189.7	(43.1)	
	(f)	Municipal Board				
696.0		1 Salaries	651.8	544.9	106.9	
273.6		2 Other Expenditures	267.6	249.0	18.6	
2,581.6		TOTAL 13-1	2,331.7	2222.5	109.2	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2003 with comparative figures for the previous fiscal year.

ESTIMATE 2002/03		APPROPRIATION	ACTUAL 2002/03	ACTUAL 2001/02	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-2	**COMMUNITY AND LAND USE PLANNING SERVICES**				
	(a)	Executive Administration				
143.2		1 Salaries	140.5	135.6	4.9	
30.6		2 Other Expenditures	22.0	29.3	(7.3)	
	(b)	Provincial Planning Services				
420.3		1 Salaries	448.9	413.4	35.5	
335.1		2 Other Expenditures	149.2	140.4	8.8	
(311.4)		3 Less: Recoverable from Urban and Rural Economic Development Initiatives	(191.5)	(113.4)	(78.1)	
	(c)	Community Planning Services				
2,569.9		1 Salaries	2,546.1	2,550.8	(4.7)	
949.1		2 Other Expenditures	814.9	868.4	(53.5)	
(534.7)		3 Less: Recoverable from Rural Economic Development Initiatives	(376.4)	(354.0)	(22.4)	
3,602.1		TOTAL 13-2	3,553.7	3,670.5	(116.8)	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2003 with comparative figures for the previous fiscal year.

ESTIMATE 2002/03		APPROPRIATION	ACTUAL 2002/03	ACTUAL 2001/02	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-3	**PROVINCIAL – MUNICIPAL SUPPORT SERVICES**				
	(a)	Executive Administration				
130.8		1 Salaries	108.7	22.7	86.0	
30.6		2 Other Expenditures	37.2	21.2	16.0	
	(b)	Assessment Services				
6,350.9		1 Salaries	6,107.9	5,814.0	293.9	
1,638.0		2 Other Expenditures	1,430.7	1,492.4	(61.7)	
(1,997.2)		3 Less: Recoverable from Education, Training and Youth	(1,997.2)	(1,983.4)	(13.8)	
	(c)	Municipal Finance and Advisory Services				
1,145.3		1 Salaries	1,043.4	1,011.1	32.3	
371.7		2 Other Expenditures	419.0	434.4	(15.4)	
(109.7)		3 Less: Recoverable from Urban Development Initiatives	(109.7)	0.0	(109.7)	
	(d)	Information Systems				
845.0		1 Salaries	880.6	831.9	48.7	
1,434.5		2 Other Expenditures	1,199.7	1,353.6	(153.9)	
(427.6)		3 Less: Recoverable from Education, Training and Youth	(427.6)	(422.7)	(4.9)	
9,412.3		TOTAL 13-3	8,692.7	8,575.2	117.5	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2003 with comparative figures for the previous fiscal year.

ESTIMATE 2002/03		APPROPRIATION	ACTUAL 2002/03	ACTUAL 2001/02	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-4	**RURAL & NORTHERN COMMUNITY ECONOMIC DEVELOPMENT SERVICES**				
	(a)	Executive Administration				
112.9		1 Salaries	117.1	76.4	40.7	
30.6		2 Other Expenditures	30.0	32.6	(2.6)	
	(b)	Manitoba Water Services Board				
1,579.4		1 Salaries	1,536.8	1,506.1	30.7	
357.6		2 Other Expenditures	343.5	346.3	(2.8)	
	(c)	Community and Regional Development Initiatives				
943.7		1 Salaries	921.1	946.2	(25.1)	
224.7		2 Other Expenditures	196.9	173.8	23.1	
	(d)	Economic Development Initiatives				
730.5		1 Salaries	702.2	679.9	22.3	
460.9		2 Other Expenditures	941.3	254.8	686.5	1
545.0		3 Grants	481.2	482.2	(1.0)	
(1,870.0)	(e)	Less: Recoverable from Rural Economic Development Initiatives	(2,195.0)	(1,425.6)	(769.4)	2
	(f)	Rural Economic Development Initiatives				
11,467.5		1 Programs – Operating	10,764.8	9,180.6	1,584.2	3
4,757.5		2 Programs – Capital Grants	4,842.6	4,118.3	724.3	4

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2003 with comparative figures for the previous fiscal year.

ESTIMATE 2002/03	APPROPRIATION	ACTUAL 2002/03	ACTUAL 2001/02	INCREASE (DECREASE)	EXPLANATION NUMBER
	Co-operative Development Services				
309.7	1 Salaries	289.8	246.9	42.9	
78.0	2 Other Expenditures	173.9	198.0	(24.1)	
19,728.0	TOTAL 13-4	19,146.2	16,816.5	2,329.7	
	13-5 FINANCIAL ASSISTANCE TO MUNICIPALITIES				
	(a) Financial Assistance for the City of Winnipeg				
	(1) Operating Assistance to the City of Winnipeg				
19,887.5	Unconditional Current Programs Grant	19,887.5	19,887.5	0.0	
16,854.0	Unconditional Transit Operating Grant	16,854.0	16,339.0	515.0	
7,939.0	General Support Grant	7,931.2	7,775.6	155.6	
900.0	Dutch Elm Disease Control Program Grant	900.0	900.0	0.0	
0.0	Strategic Initiatives	1,723.5	0.0	1,723.5	
7,560.0	Unconditional Grant – Urban Development	7,820.0	7,672.5	147.5	
(23,500.0)	Less: Adjustment to reflect program transfers from the City of Winnipeg	(23,500.0)	(23,500.0)	0.0	
	(2) Capital Assistance				
20,850.0	(a) Capital Financial Assistance to the City of Winnipeg	19,126.0	21,089.1	(1,963.1)	
500.0	(b) Red River Floodway Control Structure	500.0	500.0	0.0	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2003 with comparative figures for the previous fiscal year.

ESTIMATE 2002/03		APPROPRIATION	ACTUAL 2002/03	ACTUAL 2001/02	INCREASE (DECREASE)	EXPLANATION NUMBER
	(b)	Financial Assistance to Other Municipalities				
		(1)Operating Assistance				
1,604.3		(a) Transit Grants	1,603.5	1,534.8	68.7	
1,040.1		(b) General Support Grants	1,068.1	999.8	68.3	
6,490.0		(c) Unconditional Grants - Rural Community Development	6,490.0	6,470.0	20.0	
		(2)Capital Assistance				
140.0		(a) Transit Bus Purchases	140.0	102.2	37.8	
11,250.0		(b) Sewer and Water Programs	11,250.0	10,338.1	911.9	
3,097.0		(c) Conservation Districts	3,097.0	3,097.0	0.0	
3,150.0		(d) Infrastructure Development	3,150.0	717.5	2,432.5	5
	(c)	Grants to Municipalities in Lieu of Taxes				
14,081.2		(1)Grants	14,053.5	13,684.4	369.1	
(13,911.3)		(2)Less: Recoverable from Other appropriations	(13,911.3)	(13,982.6)	71.3	
(5,772.5)	(d)	Less: Recoverable from Urban and Rural Economic Development Initiatives	(5,771.7)	(3,915.3)	(1,856.4)	6
72,159.3		TOTAL 13-5	72,411.3	69,709.6	2,701.7	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2003 with comparative figures for the previous fiscal year.

ESTIMATE 2002/03		APPROPRIATION	ACTUAL 2002/03	ACTUAL 2001/02	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-6	**CANADA – MANITOBA AGREEMENTS**				
12,940.4	(a)	Infrastructure Agreement	12,640.8	4,992.0	7,648.8	7
2,250.0	(b)	Economic Development Partnership Agreement	2,556.9	6,767.0	(4,210.1)	8
	(c)	Winnipeg Development Agreement				
		(1) Programs – Operating		1,135.3	(1,135.3)	9
		(2) Programs – Capital Grants		818.7	(818.7)	9
15,190.4		TOTAL 13-6	15,197.7	13,713.0	1,484.7	
	13-7	**URBAN STRATEGIC INITIATIVES**				
	(a)	Neighbourhoods Alive!				
178.1		(1) Salaries and Employee Benefits	165.3	168.1	(2.8)	
94.8		(2) Other Expenditures	93.9	114.1	(20.2)	
3,392.1		(3) Neighbourhood Support	3,264.8	2,662.7	602.1	
(1,160.0)		(4) Less: Recoverable from Urban and Rural Development Initiatives	(1,052.1)	0.0	(1,052.1)	
	(b)	Neighbourhoods Programs				
277.1		(1) Salaries and Employee Benefits	336.5	307.2	29.3	
54.0		(2) Other Expenditures	52.0	45.6	6.4	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2003 with comparative figures for the previous fiscal year.

ESTIMATE 2002/03		APPROPRIATION	ACTUAL 2002/03	ACTUAL 2001/02	INCREASE (DECREASE)	EXPLANATION NUMBER
	(c)	Urban Community Economic Development				
242.6		(1) Salaries and Employee Benefits	154.0	146.9	7.1	
57.7		(2) Other Expenditures	62.7	51.8	10.9	
(230.3)		(3) Less: Recoverable from Urban Development Initiatives	(172.1)	0.0	(172.1)	
18,900.0	(d)	Urban Development Initiatives	18,783.3	16,395.0	2,388.3	10
21,806.1		TOTAL 13-7	21,688.3	19,891.4	1,796.9	
429.3	13.8	**AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS**	414.5	449.9	(35.4)	
144,909.1		TOTAL EXPENDITURES	143,436.1	135,048.6	8,387.5	

EXPLANATION NOTES

1. *The increase in Economic Development Initiatives – Other Expenditures was primarily due to a greater provision for doubtful loan guarantees.*

2. *The increase in the Recovery over the previous year was a result of the increase in the expenditures that were being recovered from the Rural Economic Development Initiatives Program.*

3. *The increase in REDI Programs – Operating over the previous year was due to an increase in the amount of Strategic Initiative projects undertaken in this program.*

4. *The increase in the REDI Programs –Capital Grants was primarily due to an increase in the amount of Strategic Initiative projects undertaken in this program.*

5. *The increase in the Infrastructure Development Program was due to greater cashflow requirements for the Simplot project.*

6. *The increase in the Recoverable From Urban and Rural Economic Development Initiatives was primarily due to cashflow for the Simplot project and the recovery of the Dutch Elm Program from UDI.*

7. *The increase in expenditures for the Infrastructure Agreement was due to the increased number of projects that have come on stream under this program.*

8. *The decrease in expenditures for the Economic Development Partnership Agreement program was due to reduced cashflow requirements as projects neared completion.*

9. *The Winnipeg Development Agreement concluded in 2001/02.*

10. *The increase in the Urban Development Initiatives program over the prior year was due to cashflow requirements for project funding.*

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS

REVENUE SUMMARY BY SOURCE

For the fiscal year ended March 31, 2003 with comparative figures for the previous fiscal year.

Actual 2001/02	Actual 2002/03	Increase (Decrease)	Source	Actual 2002/03	Estimate 2002/03	Variance	Expl. No.
			Current Operation Programs – Other Revenue				
489.6	353.1	(136.5)	(a) Fees	353.1	599.1	(246.0)	1
7,383.4	7,541.8	158.4	(b) Municipalities Shared Cost Receipts	7,541.8	8,270.0	(728.2)	
30.2	54.1	23.9	(c) Sundry	54.1	48.1	6.0	
			Government of Canada				
701.4	635.6	(65.8)	(a) Other	635.6	307.7	327.9	2
8,604.6	8,584.6	(20.0)	TOTAL REVENUE	8,584.6	9,224.9	(640.3)	

EXPLANATION NOTES

1. *The decreased Fees Revenue in comparison to both the prior year and budget is due to a decrease in Municipal Board fees generated from appeals and a reduction in Community Land Use Planning fees.*

2. *The increased Other Revenue in comparison to budget reflects increased cashflows of the current Canada-Manitoba Infrastructure Agreement.*

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS

FIVE-YEAR EXPENDITURE AND STAFFING SUMMARY BY APPROPRIATION

For years ending March 31, 1999 – March 31, 2003

ACTUAL/ADJUSTED*EXPENDITURES ($000)

		1998/99		1999/2000		2000/01		2001/02		2002/03	
		FTE	$	FTE	$	FTE	$	FTE	$	FTE	$
13-1	ADMINISTRATION AND FINANCE [1, 2, 4, 5]	37.10	2,363.3	39.10	2,532.5	34.60	2,209.2	33.60	2,222.5	34.60	2,331.7
13-2	COMMUNITY & LAND USE PLANNING SERVICES [1]	54.00	3,593.2	55.00	3,880.9	55.00	3,506.9	55.00	3,670.5	55.00	3,553.7
13-3	PROVINCIAL-MUNICIPAL SUPPORT SERVICES [1, 3]	160.10	8,645.3	161.10	8,788.5	160.10	8,866.7	160.10	8,575.2	160.10	8,692.7
13-4	RURAL & NORTHERN COMMUNITY ECONOMIC DEVELOPMENT SERVICES [1, 3, 4, 6]	65.50	18,210.2	65.50	17,688.9	63.50	18,382.3	63.50	16,816.5	63.50	19,146.2
13-5	FINANCIAL ASSISTANCE TO MUNICIPALITIES [1]	0.00	95,405.3	0.00	69,827.1	0.00	74,427.4	0.00	69,709.6	0.00	72,411.3
13-6	CANADA-MANITOBA AGREEMENTS [1]	7.00	21,386.3	7.00	11,932.7	6.50	8,673.5	7.00	13,713.0	6.00	15,197.7
13-7	URBAN STRATEGIC INITIATIVES [4]	10.00	17,267.7	10.00	15,095.7	12.00	19,564.4	13.00	19,891.4	13.00	21,688.3
13-8	AMORTIZATION OF CAPITAL ASSETS	0.00	0.0	0.00	428.1	0.00	453.6	0.00	449.9	0.00	414.5
TOTAL		333.70	166,871.3	337.70	130,174.4	331.70	136,084.0	332.20	135,048.6	332.20	143,436.1

* ***Adjusted figures reflect historical data on a comparable basis in those appropriations affected by a reorganization during the years under review.***

EXPLANATION NOTES

1. *The 1998/99 and 1999/2000 actuals have been adjusted to reflect the amalgamation of the former Departments of Urban Affairs and Rural Development, and the resulting reorganization, in 2000/01.*

2. *The 1998/99 and 1999/2000 actual expenditures of Administration and Finance have been adjusted to reflect the transfer of staff and operating expenditures from Family Services and Housing during the 1999/2000 year related to the amalgamation of the former departments of Urban Affairs and Rural Development.*

3. *The 1998/99 and 1999/2000 actual expenditures of the Rural and Northern Community Economic Development Services Division have been adjusted to reflect the transfer of the Food Development Centre to Agriculture and Food during the 1999/2000 year.*

4. *In addition to the reorganization explained in note 1, the Department was further reorganized in 2002/03. The 1998/99, 1999/2000, 2000/01, and 2001/02 actuals have been adjusted to reflect the reorganization.*

5. *In 2002/03, the Surface Rights Board was transferred to Industry, Trade and Mines. The 1998/99, 1999/2000, 2000/01, and 2001/02 actuals have been adjusted to reflect the transfer.*

6. *The 1998/99, 1999/2000, 2000/01 and 2001/02 actuals have been adjusted to reflect the transfer of Co-operative Development Services from Industry, Trade and Mines in 2002/03.*

Appendices

Appendix A – Market Value Assessment – Provincial Totals

At the end of the calendar year, the Assessment Branch delivers final assessment rolls to all municipalities excluding the City of Winnipeg. The market value of all assessment in Manitoba as shown on these rolls is aggregated in the table below.

Roll Type	Rural	Villages	Towns	Cities	L.G.D.s	Aboriginal & Northern Affairs	Total
Business							
2003	43,998,360	1,362,972	34,061,340	38,658,880	453,700	1,317,100	119,852,352
2002	42,866,310	1,348,082	36,653,510	38,147,020	453,700	1,334,300	120,802,922
Change	1,132,050	14,890	(2,592,170)	511,860	0	(17,200)	(950,570)
Personal							
2003	134,476,900	2,883,900	29,289,700	31,011,000	0	150,700	197,812,200
2002	130,967,700	2,892,900	27,823,700	30,793,500	0	150,700	192,628,500
Change	3,509,200	(9,000)	1,466,000	217,500	0	0	5,183,700
Real (T)							
2003	16,994,240,194	298,218,300	2,729,016,900	3,480,712,550	51,336,300	83,877,400	23,637,401,644
2002	16,650,624,650	294,623,100	2,764,433,300	3,438,614,500	50,412,800	84,943,100	23,283,651,450
Change	343,615,544	3,595,200	(35,416,400)	42,098,050	923,500	(1,065,700)	353,750,194
Real (G)							
2003	602,491,200	14,046,000	156,816,000	266,962,700	3,194,300	51,052,700	1,094,562,900
2002	630,497,700	13,990,600	158,796,400	260,433,400	3,194,300	51,386,100	1,118,298,500
Change	(28,006,500)	55,400	(1,980,400)	6,529,300	0	(333,400)	(23,735,600)
Real (N)							
2003	0	0	0	0	0	0	0
2002	0	0	0	3,827,000	0	0	3,827,000
Change	0	0	0	(3,827,000)	0	0	(3,827,000)
Real (S)							
2003	80,595,000	17,142,500	174,717,100	133,765,430	352,100	427,300	406,999,430
2002	71,802,400	17,062,000	170,613,600	121,436,030	308,100	425,400	381,647,530
Change	8,792,600	80,500	4,103,500	12,329,400	44,000	1,900	25,351,900
Real (E)							
2003	935,889,200	81,439,200	967,478,900	500,108,500	16,740,200	42,820,300	2,544,476,300
2002	886,661,600	78,437,200	983,578,400	498,945,400	15,556,500	41,823,500	2,505,002,600
Change	49,227,600	3,002,000	(16,099,500)	1,163,100	1,183,700	996,800	39,473,700
Total							
2003	18,791,690,854	415,092,872	4,091,379,940	4,451,219,060	72,076,600	179,645,500	28,001,104,826
2002	18,413,420,360	408,353,882	4,141,898,910	4,392,196,850	69,925,400	180,063,100	27,605,858,502
Change	378,270,494	6,738,990	(50,518,970)	59,022,210	2,151,200	(417,600)	395,246,324

T - Taxable
G - Exempt: Subject to grant in lieu of taxes
N - Exempt: Subject to grant, exempted from school levies
S - Taxable: Exempt from school levies
E - Exempt

Appendix B – Total School Assessment (Portioned Values)

In accordance with provisions of *The Municipal Assessment Act*, the 2003 Total School Assessment was provided to the Department of Education and Youth by December 1, 2002 and formed the basis for the calculation of school levies. The Total School Assessment (TSA) is the TMA plus portioned values of personal property less the value of real property, which is exempt from school taxes. The TSA is the tax base used by the Province to raise revenue to support the education program across Manitoba and is a determining factor in the distribution of funding to school divisions.

School Division	School Assessment
Beautiful Plains	243,965,230
Borderland	311,152,640
Brandon	1,043,394,560
Evergreen	339,411,890
Flin Flon	70,534,360
Fort la Bosse	252,735,450
Frontier	1,838,353,130
Garden Valley	307,286,730
Hanover	570,506,790
Interlake	420,258,760
Kelsey	141,714,680
Lakeshore	129,950,860
Lord Selkirk	658,531,070
Louis Riel	2,116,604,750
Mountain View	384,232,590
Mystery Lake	185,798,350
No Levy	60,468,600
Park West	320,404,900
Pembina Trails	2,214,370,630
Pine Creek	165,431,590
Portage la Prairie	470,748,080
Prairie Rose	401,706,070
Prairie Spirit	380,438,110
Red River Valley	394,503,340
River East Transcona	303,471,920
Rolling River	295,923,140
Seine River	466,070,700
Seven Oaks	904,524,520
South West Horizon	314,783,840
St. James Assiniboia	1,564,056,280
Sunrise	719,957,070
Swan Valley	202,778,670
Turtle Mountain	178,842,290
Turtle River	90,820,120
Western	170,162,380
Winnipeg	3,954,883,290
GRAND TOTAL	**22,588,777,380**

Appendix C – Committees and Crown Corporations

Leaf Rapids Town Properties Ltd.

Leaf Rapids Town Properties Ltd. (formerly Leaf Rapids Corporation) was formed in 1971 by a precedent-setting agreement between the Province and Sherrit-Gordon Mines. Under the agreement, all assessable surface property of the mining company was put on the tax roll for taxation purposes, making Sherrit-Gordon a corporate citizen of the Town. The Province, through the Leaf Rapids Corporation, developed the townsite property and is recovering costs through land sales and property rentals, proceeds of Local Government Districts Debenture issues retired through local taxation, provincial funding of schools and hospitals, and provincial grant programs.

The Corporation has a five-person Board of Directors comprised of senior civil servants, with Marie Elliott, Deputy Minister of Intergovernmental Affairs as Chairperson. Current Directors are Christine Kaszycki (Industry Trade and Mines), Don Delisle (Finance), Geoff Bawden (Transportation and Government Services), Christine Burton (Intergovernmental Affairs) and an ex-officio representative of the Town of Leaf Rapids. Day to day management of the Town Centre, industrial park, mobile home park, and other properties is carried out by a staff of three under the direction of the General Manager, Christine Burton and the Property Manager, John Kokorsch.

Appendix D - Sustainable Development Activities and Accomplishments

The following is a summary of progress made towards integrating the principles and guidelines of sustainable development into the programs and activities of the Department of Intergovernmental Affairs. The summary is organized on the basis of the Principles and Guidelines of Sustainable Development as outlined in Schedules A and B of *The Sustainable Development Act*.

Integration of Environmental and Economic Decisions

- The Administrative Services Branch staff facilitated government-wide implementation of sustainable development principles and policies through participation on several government-wide sustainable development related committees, as well as co-ordinating the establishment of a Sustainable Development Planning and Implementation Team for the Department.

- The primary focus of the Canada-Manitoba Infrastructure Program (CMIP) is green municipal infrastructure including projects that protect and/or enhance the quality of our environment, such as water and waste water systems, water management, solid waste management and recycling, retrofit or improve energy efficiency of buildings and facilities owned by local governments. As of March 31, 2003, $51.5 million (consisting of matching federal, provincial and local 1/3 contributions) CMIP funding supported 101 rural and northern first priority green projects, including $16.2 million for five Boil Water Order projects to remedy urgent environmental issues; $30.3 million to 87 rural and northern sewer and water projects; $ 3.3 million for eight waste disposal and recycling projects; and $1.7 million for Red River flood protection.

- The current Canada-Manitoba Economic Development Partnership Agreement (EDPA) promotes greater federal-provincial co-operation in Manitoba's economic development through a partnership program of strategic investments with other interested stakeholders. Some of the key EDPA considerations support integrated environmental and economic decisions – for example, expanding the international competitiveness of Manitoba's key growth sectors, commercializing new technologies, assisting small and medium-sized businesses and entrepreneurs, enhancing the long-term economic self-sustainability of rural and urban communities, and increasing tourism potential.

- The Rural and Northern Community Economic Development Division supported a number of economic strategic initiatives including ethanol consultations, the International AgFibe Conference, the Keystone Centre, Simplot, and Brandon University's Rural Development Institute. These initiatives added to the sustainability of communities' local economies and the provincial economy and had strong underlying conservation and environmental diversification components.

- The Economic Development Initiatives Branch through its Rural Economic Development Initiative (REDI) programs ensured that business/community applications met all environmental requirements (permits, licenses) and were sustainable from a conceptual perspective. Projects were also reviewed to take into account social sustainability issues such as labour provisions (health and safety, wage rates). REDI programs are funded from Video Lottery Terminal revenues, which are redistributed to assist communities to create positive economic conditions that will benefit local citizens.

- The Community and Land Use Planning Services Division worked in partnership with local planning authorities, other government departments, the private sector and stakeholders to ensure that Manitobans live in well-planned, environmentally sound and economically sustainable communities and regions. The Community and Land Use Planning Services Division is responsible for developing and administering integrated provincial land use planning policies, legislation and regulations, and

providing regionally based professional planning services to local governments, planning districts, northern communities and the public, consistent with provincial land use interests.

Stewardship

- The Municipal Finance and Advisory Services Branch provided grants to enhance the sustainability of communities, to assist in the provision of quality, affordable services and to assist in the management of community resources and environment, including: support for green infrastructure in the City of Winnipeg such as bike paths, urban reforestation, transit bus replacement and pedestrian/cycle facilities through the Urban Capital Projects Allocation; Support for the City of Winnipeg's Dutch Elm Disease Control Program; and Province-wide operating and capital support for public transit, including transit for the mobility disadvantaged.

- The Community and Land Use Planning Services provided grants to municipalities and planning districts to initiate their first community land use planning program or to review and update their development plan and zoning by-law.

- By incorporating results-based management into project selection, the Canada-Manitoba Infrastructure Program promoted stewardship.

- The Economic Development Initiatives Branch assisted communities to establish Community Development Corporations (CDCs), enabling them to plan for current and future economic growth. In addition, the Community Works Loans Program provided financial assistance to help CDCs establish capital pools to provide small business loans.

- The Economic Development Initiatives Branch, Partners With Youth and Green Team programs helped create opportunities for young Manitobans to pursue job and career-related opportunities in their home communities while helping communities maintain and enhance their local environment.

Shared Responsibility & Understanding

- Human Resources Services, through implementation of the Department's Affirmative Action Plan, ensured that policies considered and reflected the needs and views of the various ethnic groups in Manitoba.

- The Municipal Finance and Advisory Services Branch developed a comprehensive package approach to support for the City of Winnipeg, which included working collaboratively with the City to develop and implement a new legislative framework (*The City of Winnipeg Charter*) and delivering a comprehensive funding package that addressed the most pressing City/Provincial priorities.

- The Canada-Manitoba Infrastructure Program encouraged regional approaches and promoted partnerships among municipalities, on-and-off-reserve communities, and with non-profit and private sector organizations. For example, the Canada-Manitoba Infrastructure Program partnered with Brochet Community Council and Barrens Land First Nations to construct a $1.2 million sewage treatment facility as well as Easterville Community Council and the Chemawawin Cree Nation on a $242,700 wastewater lagoon.

- The Canada-Manitoba Infrastructure Program established a local government consultative committee to review and recommend rural and northern project funding.

- The Economic Development Initiatives Branch, through its contractual agreement with the Community Economic Development Fund (CEDF), delivered REDI programs to northern

communities. The agreement acknowledged the talent and insights of local administrators in making decisions that best work for their region, thereby improving the chances for sustainable development.

- The Community and Regional Development Initiatives Branch represented the Province at national rural policy discussions, which enabled Manitoba to raise awareness of the Province's issues and concerns at the national level, to pursue partnered projects with federal, provincial and municipal governments and to help influence the future direction of national rural policy development.

- The Rural and Northern Community Economic Development Division through representation on the Northern Delivery Team, provided a comprehensive and seamless framework to assist with community economic development activities in Northern Manitoba.

- The Rural and Northern Community Economic Development Division supported community adjustment activities in Leaf Rapids and Lynn Lake, by providing technical and other support to help diversify the local economy following area mine closures.

- The Community and Regional Development Initiatives Branch reviewed existing REDI programs, as part of the Department's efforts to re-focus regional economic development organizations. This was done to align programs and services to better reflect community economic development priorities, as identified by communities and to integrate them with provincial priorities, as outlined in the Community Economic Development Lens, Northern Development Strategy and Rural Vision.

- The Economic Development Initiatives Branch provided staff support to the Traditional Aboriginal Wellness Policy Interdepartmental Working Group, which supports community activities to enhance the well being of the Aboriginal community.

- The Urban Strategic Initiatives Division worked in partnership with five Neighbourhood Renewal Corporations (NRCs) in the targeted Neighbourhoods Alive! neighbourhoods. The NRCs focus on the issues identified by their communities and bring forward proposals that best meet the needs of the community. USI staff worked to support the capacity of the NRCs and projects being undertaken in the NA! neighbourhoods. Both parties shared responsibility for a community-driven process of urban revitalization.

- Provincial Planning Services provided staff support to the Interdepartmental Planning Board, comprised of Deputy Ministers of the departments of Conservation (co-chair), Intergovernmental Affairs (co-chair), Agriculture and Food, Transportation and Government Services, Aboriginal and Northern Affairs, Culture, Heritage and Tourism, and Industry, Trade and Mines.

- The Community and Land Use Services Division provided planning services to other provincial departments as well as other divisions within the Department. It also consulted and worked with local government associations, the public, industry and other provincial and federal departments as an integral and on-going part of its activities.

- The Community and Land Use Planning Services Division initiated an intergovernmental and public review of the Provincial Land Use Policies Regulation under *The Planning Act* to enhance the Provincial Land Use Policies and extend their application province-wide.

- The Community and Land Use Planning Services Division launched a public review of Manitoba's planning law to streamline and modernize the legislation.

Prevention

- Under the Canada-Manitoba Infrastructure Program (CMIP), approved projects are subject to review under the *Canadian Environmental Assessment Act* (CEAA) and the *Manitoba Environment Act*. In Manitoba, federal and provincial legislation is harmonized, allowing for federal and provincial collaboration in the environmental assessment process. In some cases, municipal projects funded under CMIP require an environmental assessment and licensing. Therefore, a joint federal-provincial assessment is undertaken in accordance with the Canada-Manitoba Agreement for Environmental Assessment Co-operation. This process includes *Canada Environmental Assessment Act*, *Environment Act* and *Public Health Act* screenings. Proponents must adhere to environmental mitigation measures identified in the review process and required in the funding contribution agreement.

- The Economic Development Initiatives Branch provided a grant of $75,000 to the Workers of Tomorrow Safety Centre to promote worker safety among the young worker population. Funding support for this initiative ensured that future generations of Manitoba workers understand the human, social and economic impacts of working safe.

- The Urban Strategic Initiatives Division worked with staff from a number of other public and private sector partners to develop the WinSmart proposal, Manitoba's entry to the Federal Urban Transportation Showcase Program. This project is intended to reduce greenhouse gas emissions from the transportation sector. In the long-term, WinSmart will address issues related to both environmental and human health, and will see funding from all three levels of government flow towards a number of transit and trip reduction improvements that have the potential to be replicated across the entire country.

- Since the July 22, 2002 announcement of a comprehensive plan for sustainable growth of the livestock industry, Manitoba Intergovernmental Affairs has consulted with stakeholders and received feedback on the announcement.

Conservation & Enhancement

- The Canada-Manitoba Infrastructure Program provided $1.7 million towards the Red River Floodway inlet improvement project. The project consists of the removal of two sections of the east embankment of the Red River Floodway south of Winnipeg between St. Mary's Road bridge crossing and the western edge of Grande Point, thereby increasing the floodway's capability of handling a large flood in the future and helping to reduce standing floodwater upstream of the floodway (south of Winnipeg). In addition, the Canada-Manitoba Infrastructure Program has supported numerous wastewater treatment refurbishments, contributing to an enhanced environment.

- The Economic Development Initiatives Branch Green Team Program provided youth with summer jobs in provincial parks and communities. Green Team activities are designed to enhance the long-term sustainability of Manitoba's parks and community green spaces and promote conservation efforts.

- The Economic Development Initiatives Branch provided a grant of $50,000 to the Northern Forest Diversification Centre for a demonstration project. The Centre is a major force in enabling northern residents to use renewable forestry resources for their economic benefit.

Rehabilitation & Reclamation

- The Urban Strategic Initiatives Division supported neighbourhood enhancement and greening projects through the NA! Program. NA! funded projects such as the "Greening West Broadway" project and the "William Whyte Enhancement" project help support community efforts to rehabilitate derelict urban sites, and provide green space, community gardens and urban wildlife habitat.

- The Urban Strategic Initiatives Division, together with the City of Winnipeg, supported community-identified projects through the Building Communities initiative including the creation of new community green spaces and recreational venues.

- The Economic Development Initiatives Branch assisted the Tire Recycling Corporation, a Grow Bond recipient, in the re-establishment and re-financing of its operations after a fire destroyed its Winkler MB manufacturing facility in 2001. The company is a major player in the Province's efforts to ensure that all used tires in Manitoba are recycled. The Tire Recycling Corporation currently recycles more than 60% of the Province's used passenger tires into customized rubber products.

Global Responsibility

- The Community and Regional Development Initiatives Branch co-ordinated departmental involvement in multi-sector international co-operation agreements involving Nunavut and Ukraine. These activities acknowledged the economic and social interdependence between Manitoba and other jurisdictions. In particular, the Province's significant Ukrainian population has led to a special bond between Manitoba and Ukraine to pursue mutual cultural and economic opportunities and to assist Ukraine on governance issues.

Public Participation

- The federal-provincial environmental process provided for public participation as appropriate.

- The Canada-Manitoba Infrastructure Program is an application-based program available to local governments, as well as non-profit and private sector organizations.

- All municipal infrastructure approved projects under the Canada-Manitoba Infrastructure Program require supporting municipal resolutions.

- The Community and Regional Development Initiatives Branch successfully co-ordinated the 10th anniversary edition of Rural Forum, providing a venue for Manitobans to come together to share in meaningful discussions, to gain knowledge and to celebrate their community success.

- The Community and Regional Development Initiatives Branch assisted with the formation and ongoing development of a number of regional round tables in the Province. Regional Round Tables are designed to give local residents the opportunity to collectively make decisions about how best to manage their regions' resources for the future. While Round Tables consist of volunteer members, the Province provided them with small grants to cover administrative expenses, along with technical support and advice.

- The Urban Strategic Initiatives Division's Neighbourhoods Alive! initiative encouraged public participation in the decision-making process. For example, in the Spence neighbourhood, all proposed projects were assessed according to a set of criteria developed by the community. Indication of community support played a significant role in the review of project proposals.

- The various planning decision-making processes under *The Planning Act* and *The City of Winnipeg Charter* require public notification and hearings.

- The Urban Strategic Initiatives Division's Building Communities Program is a cost-shared, urban renewal initiative with the City of Winnipeg. Community consultation and participation are fundamental elements of the initiative. In each neighbourhood, an advisory committee, comprised of local residents and key stakeholders, is involved in the identification of capital priorities and the development of a strategic plan for addressing them.

- A review of provincial planning legislation (*The Planning Act* and Part 6 of *The City of Winnipeg Charter*) is underway with the objectives of modernizing and streamlining the law. The process includes stakeholder and public consultation.

- A Regional Planning Advisory Committee (RPAC) was appointed by the Government in 2001 to assist in stimulating public discussion and to provide advice on regional planning issues for Manitoba's Capital Region.

Access To Information

- The Canada-Manitoba Infrastructure Program provided access to information through a number of avenues, including a web site, a 1-800 number, an Information/Help Officer, project approvals news releases, and an annual progress report. The web site provided information on program guidelines, approved projects, intake deadlines, and links to the national Infrastructure Canada website. The site also included downloadable applications, as well as a web-based, on-line application system. The Canada-Manitoba Economic Development Partnership Program provided information through similar means.

- By administering *The Freedom of Information and Personal Privacy Act* on behalf of the Department, the Administrative Services Branch facilitated the opportunity for equal and timely access to departmental information by all Manitobans.

- Public access to assessment information was substantially improved through the provision of a web site that enabled internet users to search for the assessment of specific properties. Users may now obtain this information from their homes or offices rather than by visiting a municipal or Assessment Branch office. The site also answers frequently asked questions about assessments. The market value assessment system, combined with easier access to information, will assist the public in understanding the value of property and thereby support sustainable development decision making.

- An annual publication of financial information for municipalities presents relevant and useful statistical information about all Manitoba municipalities. This publication is used by municipal officials and others to support economic development, program review and service improvement initiatives and other community strengthening strategies.

- The Community and Regional Development Initiatives Branch began a comprehensive review and revision of the Manitoba Community Profiles website to make it more effective and more responsive to user needs. The Community Profiles website provided one of the most comprehensive databases about Manitoba's communities and regions, to be used by Manitobans and to be accessed by the world.

- The Urban Strategic Initiatives Division held a series of public forums, each with a specific community-based theme, as part of the "Community Toolbox" approach developed by Neighbourhoods Alive!. Following each forum, a report highlighting the different "tools" developed by the forum participants was distributed. In addition to these reports, the first annual "Report to the Community" was distributed earlier this year to homes in Winnipeg, Thompson and Brandon. This report highlighted the accomplishments of the initiative, and provided detailed information on its different programs.

- The Community and Land Use Planning Services Division created a Capital Region web site to provide improved public access to research and information.

Integrated Decision-Making & Planning

- The Canada-Manitoba Infrastructure Program provided for a Federal-Provincial Management Committee to establish administrative guidelines for the application, review, assessment, approval, and implementation of projects and ensured that appropriate program reporting and evaluation processes are in place. The activities of the Management Committee are supported through the joint Canada-Manitoba Infrastructure Secretariat established to minimize overlap and duplication in federal-provincial program delivery and to contribute to improved federal-provincial co-operation. The Secretariat is staffed with both federal and provincial officials.

- The Canada-Manitoba Infrastructure Program has a local consultative committee to review and recommend on project funding and implementation. A local consultative process was established for projects in rural and northern Manitoba and a separate consultative process for projects within Winnipeg. In Manitoba, the Infrastructure Program is characterized by good, co-operative federal-provincial relations at both the elected and officials level, as well as a positive consultative process in project selection with local governments through Winnipeg City Council, the Association of Manitoba Municipalities (AMM), and the Northern Association of Community Councils (NACC).

- The Community Planning Assistance Program provided financial incentives and technical advice to municipalities to join together in a planning district and jointly develop land use planning by-laws.

- The Community and Regional Development Initiatives Branch advanced activities and efforts to build a co-ordinated and integrated community economic development system in the Province, including implementing new funding agreements for Manitoba's Regional Development Corporations (RDCs). These activities will improve efficiencies regarding the use and disbursement of community economic development resources.

- The Urban Strategic Initiatives Division has taken the lead role on behalf of the provincial government in the negotiation and implementation of a new tripartite Urban Development Agreement (UDA) for Winnipeg. The UDA Memorandum of Understanding (MOU), signed in early 2003, was developed through a collaborative tri-government process with the objective of developing a tripartite agreement that will provide a mechanism for co-ordinated, integrated decision-making and planning for urban development in Winnipeg.

- The Urban Strategic Initiatives Division, through the NA! Working Group, consulted with colleagues in other departments on initiatives and proposals that may have impacts on more than one department. A Steering Committee of five Ministers makes decisions on all projects and provides overall direction for NA! and its component programs.

- The Urban Strategic Initiatives Division's Building Community Initiative has a joint, Manitoba-Winnipeg decision-making and implementation mechanism at both the working and the elected officials levels that supports an integrated, collaborative approach.

Waste Minimization & Substitution

- Through participation on the government-wide Procurement Council, the Administrative Services Branch helped to formulate sustainable procurement practices for government-wide implementation, and has also co-ordinated the implementation of these practices in Intergovernmental Affairs. In addition, the Branch developed a departmental Sustainable Development Procurement Action Plan.

- The primary focus of the Canada-Manitoba Infrastructure Program is green municipal infrastructure, which includes solid waste management and recycling. As of March 31, 2003, eight solid waste disposal and recycling projects have received support totalling $3.3 million under the Canada-Manitoba Infrastructure Program.

- The Canada-Manitoba Economic Development Partnership Agreement contributed $1.4 million to a new solid waste management system featuring recycling and composting facilities, which will benefit over 13,500 residents in south-western Manitoba. The towns of Neepawa, Minnedosa and Carberry and the rural municipalities of Langford, Minto, North Cypress, Odanah, Lansdowne and Elton are partnering to complete construction of the new facility.

Research & Innovation

- *Tools for Change,* developed by the Municipal Finance and Advisory Services Branch in partnership with the Association of Manitoba Municipalities, supported municipalities interested in exploring new approaches to meeting local challenges. It provided useful information and practical tools, enabling municipalities to realize their strategic visions and enhance community sustainability.

- The Municipal Finance and Advisory Services Branch developed a comprehensive set of information resources which were shared with election officials, candidates and electors. These resources, which included training seminars and a comprehensive training manual for election officials, an interactive municipal general election web site, and a guide for prospective members of councils, assisted communities in conducting fair and democratic elections and electing municipal officials.

- The Economic Development Initiatives Branch provided financial support to the Manitoba Crop Diversification Centre. The Centre supported research into activities that will ensure the future sustainability of the Province's agricultural community, while encouraging shifts into value-added, diversified opportunities.

- The Urban Strategic Initiatives Division has the lead role on behalf of the provincial government in the negotiation and implementation of a new tripartite Urban Development Agreement (UDA) for Winnipeg. The UDA Memorandum of Understanding, signed in January of 2003, identified that technology and innovation will be a focus of the tripartite agreement, which is currently being negotiated.

Education, Training and Awareness

- Senior departmental officials were made aware of legislative requirements and responsibilities under the *Sustainable Development Act.*

- Departmental procurement personnel attended a workshop on green procurement resulting in the development of a pilot project to reuse photocopier paper.

- Manitoba Intergovernmental Affairs co-chaired the Sustainable Development Guidelines Regulation Working Group to develop a regulation for local authorities (among others) regarding procurement guidelines and financial management guidelines.

- Stakeholder meetings were held to promote Sustainable Development implementation and seek input from local authorities (among others) in the development of regulations.

Pollution Prevention and Human Health

- All branches and field offices continued to recycle solid waste and scrap paper, a total of 6630 lbs., which includes aluminum cans, paper and cardboard and is expanding to batteries and Styrofoam, as well.

- The government discontinued the use of virgin paper and increased the purchase of recycled paper. As a result the government used 72% recycled paper, up from 4% recycled paper in 2001/2002.

- Two Assistant Deputy Ministers' offices initiated a pilot project to reuse copy paper. Estimates are that paper purchases were cut in half. The pilot is being extended to branch use and double sided copying is being examined.

- The Winnipeg office of the Community and Land Use Planning Services Division initiated two-sided printing, in addition to two-sided copying, of documents. The objective is to reduce the amount of paper purchases. Instructions on how to two-side print have been distributed to the regional offices as well.

Reduction of Fossil Fuel Emissions

- All departments have been encouraged to use ethanol gasoline (E10) when operating government vehicles. As leases expire, vehicles are being replaced with E85 vehicles (currently there are three E85 vehicles of 69 vehicles). Evaluations are undertaken regularly to ensure the use of lower consumption vehicles.

- Alternative forms of transportation have been encouraged and bicycle racks have been installed at buildings where the staff has requested it.

Resource Conservation

- Furnaces at Leaf Rapids Town Properties have been inspected, cleaned and repaired to ensure an efficient operation and maximize fuel consumption. Plans are underway to consider consolidation of operations to save on operating (energy) costs.

Community Economic Development

- As part of the Department's community economic development responsibilities, Manitoba Intergovernmental Affairs is taking a lead role to increase the participation of small business, community-based businesses, and Co-operatives in Manitoba Government procurement opportunities. The Department will co-chair the Small Business Development Workgroup.

Includes 10% post-consumer waste